



Commandant
United States Coast Guard

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COMDTNOTE 4200
23 MAY 2001

COMMANDANT NOTICE 4200

CANCELLED: 22 MAY 2002

Subj: CH-2 TO COAST GUARD ACQUISITION PROCEDURES (CGAP),
COMDTINST M4200.19F

1. PURPOSE. These procedures implement and supplement the Federal Acquisition Regulation (FAR), the Department of Transportation Acquisition Regulation (TAR), the Department of Transportation Acquisition Manual (TAM), and other departmental guidance; and establish Coast Guard acquisition policy. They are intended for the use of contracting personnel and others involved in the operation of acquiring supplies and services for the Coast Guard. This change removes and/or streamlines many previous requirements, specifically eliminating headquarters review and approval requirements, where practicable.
2. ACTION. Area and district commanders, commanders of maintenance and logistics commands, assistant commandants for directorates, commanding officers of headquarters units, Chief Counsel, and special offices at Headquarters shall ensure compliance with the provisions of this Manual.
3. DIRECTIVES AFFECTED AND EFFECTIVE DATE. The Coast Guard Acquisition Procedures (CGAP), COMDTINST M4200.19F is changed to incorporate the enclosed pages. This change also cancels Policy Guidance for Government-Furnished Property, COMDTINST 4200.1A, dated 18 October 1999 and Contracting Officer Warrant Program (COWP), COMDTINST 4200.48, dated 16 August 1994, and incorporates those policies into the CGAP. This change is effective the issued date of this Commandant Notice, except for the changes incorporated at Enclosure (24), Contracting Officer Warrant Program, which was effective 2 October 2000.
4. DISCUSSION. The FAR system consists of the FAR which is the primary document and the TAR and TAM which supplement the

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A	1	1	1		1	1		1					1	1	1	1					1					
B		8	*	1	15	1		2	*	1	30	2	2	5	2	2		4	1	2	2	1	1		2	
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NON-STANDARD DISTRIBUTION: See page 9

FAR. The FAR system is a flow-down system that prohibits repeating, paraphrasing or otherwise restating material contained in the FAR, TAR, or TAM. Therefore, in order to fully understand the CGAP, the reader must review it in conjunction with the FAR, TAR, or TAM material it supplements. CGAP cites which supplement the TAR are subdivided into Parts and Subparts, and are found in the first subdivision of this manual. CGAP cites which supplement the TAM are subdivided into Chapters and Subchapters and are found in the second subdivision of this Manual. All new changes or versions after this change will only be available electronically. No hard copies of the Manual will be printed after Fiscal Year 2001. The URL for the website to retrieve the Manual for downloading and printing will be provided when changes are issued after 1 October 2001.

5. SUMMARY OF CHANGES. This change incorporates updates through Federal Acquisition Circular (FAC) 97-19, Transportation Acquisition Circular (TAC) 00-01, TAM Note 01-02 and COCO Alerts 01-30. A summary of changes is as follows:

CHANGES WHICH IMPLEMENT THE TAR (CGAP PARTS & SUBPARTS)

- a. Table of Contents - Provides corrected pages and updates the DOT Procurement Reinvention Lab supplemental pages.
- b. Parts Reserved listings - Consolidates and corrects reserved Part pages.
- c. 1211.90 - Removes the Engineering Logistics Command's bar coding requirement from the CGAP for placement in local manual.
- d. 1237.110 - Inserts additional requirements for using the TAR clause 1252.237-70 for Information Technology (IT) services that require design, development, or operation and maintenance of sensitive applications. Provides Coast Guard Instruction number that covers the responsibilities and procedures necessary to ensure adequate security of Coast Guard computer systems.

CHANGES WHICH IMPLEMENT THE TAM (CGAP CHAPTERS & SUBCHAPTERS)

- e. 1201.404 - Provides editorial changes regarding class deviations.
- f. 1201.600-90 - Deletes this subchapter reference to previous COMDTINST M4200.48.
- g. 1201.602-390(a),(b),(d),(e), and (f) - Delegates the authority to ratify unauthorized commitments to the COCO. Provides other minor changes to (c) regarding report due

dates and submittal requirements.

- h. 1201.603 and 1201.603-1 - Adds new subchapter reference to Enclosure (24), "Contracting Officer Warrant Program." Incorporates COCO Alert 01-01.
- i. 1204.203(b)(1)-(3) - Includes instructions for collecting Tax Identification Numbers (TINs) and safeguarding from public disclosure. Provides other minor changes to these paragraphs.
- j. 1204.601(a) - Deletes paragraph (a) for consistency with TAM.
- k. 1204.601(d)(2) - Revises paragraph (d)(2) to be consistent with TAM.
- l. 1204.602(c) - Incorporates information about the new CIS system. Revises paragraph for consistency with TAM.
- m. 1204.670 - Removes text that is redundant to TAM wording and includes the G-CFP Intranet site for a consolidated list of report due dates to Commandant (G-CPM).
- n. 1204.8 - Moves all requirements regarding contract files to the correct location and page.
- o. 1204.9 - Moves paragraphs regarding Taxpayer Identification Number information to the correct location and page.
- p. 1204.7001 - Removes last sentence in paragraph because text is in the TAM.
- q. 1204.7002 - Deletes the Commandant (G-CPM) review requirements over \$20M.
- r. 1204.7003(b)(1) and (2) - Removes duplicate paragraph (b)(1) that is contained in TAM. Clarifies that the legal review and sufficiency subparagraph applies to acquisitions conducted under 13.5, Test Program for Certain Commercial Items. Provides other grammatical changes to the last sentence in the paragraph (b)(2).
- s. 1204.7003(c) - Removes reference to deleted paragraph 1204.7002(c).
- t. 1204.7003(c)(3) - Removes paragraph which is a duplication of TAM text.
- u. 1204.7004(a) - Clarifies the use of Enclosure (8) and removes text referring to Commandant (G-CPM) reviews.
- v. 1204.7005 - Revises previous text to reference the Procurement Management Review COMDTINST 4200.30(series).

- w. 1204.91 - Removes text and references to enclosures (5) and (6) which dealt with rescinded OFPP Policy letter 81-1. OFPP concluded that the Federal Acquisition Regulation as written contains the current policy or if the policy is not reflected in the FAR, has either been superceded by subsequent statutory changes or is otherwise no longer needed.
- x. 1204.91 - Renumbers previous Subchapters 1204.92 to 1204.91.
- y. 1205.202(a) and (b) - Removes FAR cite references.
- z. 1205.303(a)(1) and (2) - Removes subparagraphs (1) and (2) references and procedures, which corresponded to deleted CGAP subchapter 1204.
- aa. 1205.403(b) - Removes text that is redundant to TAM.
- ab. 1207.101-70 - Revises this subchapter to align content with current TAM, including thresholds. Incorporates previous 1207.101-90(b). Removes text about the procurement forecast because policy is found at CGAP Chapter 1219.
- ac. 1207.101-90 - Deletes paragraph (a) and incorporates paragraph (b) into 1207.101-70(a).
- ad. 1207.103-70 - Inserts text to supplement TAM and provides other clarifications.
- ae. 1207.171 - Revises this subchapter to align content with TAM Note 00-03 changes. Reassigns approval authority for streamlined acquisition plans and updates for acquisition valued from \$5 million to \$50 million to contracting officer.
- af. 1211.002 - Renames the subchapter, renumbers paragraph (c) to (b), and incorporates paragraph (d) regarding the Resource and Recovery Act and Executive Order 13101.
- ag. 1211.2 and 1211.201-890 - Removes entire subchapter, including Cancellation of a Requirement.
- ah. 1214.201-890 - Incorporates COCO Alert 00-26 policy for operating costs included as a foreseeable cost in all competitive solicitations for vessels 65' or greater in length with a dedicated crew when a specific location for contractor performance is not specified by the Government.

- ai. 1215.303-90(a) - Removes previous matrix and inserts new delegations for Source Selection Authority (SSA). Deletes previous notes (1)-(3).
- aj. 1215.305-90 - Deletes "Source Selection" as an item that that the Contracting Officer documents.
- ak. 1215.306(b) and 1215.306-90 - Deletes previous 1215.306(b). Inserts text to supplement TAM.
- al. 1215.404 - Retitles subchapter to "Proposal Analysis" to align with FAR and TAM.
- am. 1215.404-1(a)(4) - Deletes subparagraph to streamline.
- an. 1215.406-170(a) and (b) - Changes text to align with new CGAP 1204.70 and the TAM removal of Subchapter 1234, Appendix, A, Major Acquisition and Policies and Procedures.
- ao. 1215.406-370(a) and (b) - Changes text to align with new CGAP 1204.70, and supplement TAM.
- ap. 1217.1, 1217.105 and 1217.105-1 - Inserts new subchapter on Multi-year contracting to align with FAR and TAM.
- aq. 1217.106 and 1217.106-3 - Deletes previous subchapter 1217.106-3 to align with the FAR and TAM.
- ar. 1217.2 - Deletes previous entire subchapter 1217.2 to align with the FAR and TAM.
- as. 1217.501 - Supplements TAM definition by defining "contracting officer" as used in subchapter. Clarifies term "legal instrument" to be interagency agreement, MOU, MOA.
- at. 1217.502(c) - Inserts paragraph and reference to Commandant Instruction 5223.4.
- au. 1217.503 - Removes the requirement for the COCO to sign the Determinations and Findings for the MIPR.
- av. 1217.503-90 - Deletes previous redundant text, since reference to Commandant Instruction 5223.4 is inserted at 1217.502(c).
- aw. 1219.804-4 - Eliminates the requirement for the Departmental approval for actions removed from the 8(a) Program which are being contracted as directed by statute (NIB/NISH). Adds requirement that contracting officers give Commandant (G-CPM) 30 days advance notification prior to award of these actions.

- ax. 1223 - Removes subchapters to align with FAR and TAM changes.
- ay. 1223.402 - Renumbers subchapter 1223.401 to 1223.402. Changes number of subparagraph from (c) to (e).
- az. 1223.403 - Deletes the first sentence of the subparagraph.
- ba. 1223.405 - Renumbers Subchapter from CGAP 1223.404 to CGAP 1223.405. Inserts a new subparagraph (a) and renumbers old subparagraph (a) to (b). Deletes old subparagraph (b)(3) in its entirety.
- bb. 1223.7 - Adds new subchapter regarding contracting for environmentally preferable and energy-efficient products and services.
- bc. 1225.1 through 11 - Changes made to align chapter with TAM 00-03 and 00-04.
- bd. 1232.702-70(a)(1)(ii) - Requires Contracting Officers to accept digitally signed electronic Procurement Requests.
- be. 1232.702-70(b) - Revises paragraph text and removes reference to enclosure (4), which is deleted.
- bf. 1233.103(f)(3) and 1233.104(a)(4)(i) - Deletes the first sentence in 1233.103(f)(3). Adds information about electronic filing at 1233.104(a)(4)(i).
- bg. 1236.601-90(a)(2) and (3) - Revises the number of option years authorized for architect and engineering services, clarifies how to determine estimate contract amounts, and reformats subparagraphs.
- bh. 1236.602-2 and 1236.603 - Removes Coast Guard Academy and ELC from offices authorized to award Architect and Engineering Services contracts.
- bi. 1237.113 and 1237.113-1 - Inserts a new subchapter paragraph regarding the waiver of cost allowability limitations to align with TAM Note 00-03.
- bj. 1237.205-90 - Renumbers subchapter that identifies the CGAP supplemental text.
- bk. 1241.1 and 1241.7100 - Changes made to align chapter with TAM 00-03 and 00-04.
- bl. 1242.101 - Corrects typographic errors in title.

- bm. 1242.8 - Removes requirements to notify Commandant (G-CPM) when a contractor files a claim for unreimbursed costs under the disputes clause of the contract.
- bn. 1242.15 - Updates subchapter to require the use of the National Institutes of Health's Contractor Performance System (CPS) for all contractor performance evaluations except for architect and engineering services.
- bo. 1245.105 - Provides Coast Guard's requirements on contractor's property control records.
- bp. 1245.309(a)(3) - Removes subchapter to align with TAM.
- bq. 1245.505-1470 - Removes subchapter which is replaced by new subchapter 1245.590.
- br. 1245.505-90 - Incorporates coverage when the Government maintains its own property records.
- bs. 1245.590 - Adds new subchapter, which incorporates COMDTINST M4200.1A, Policy Guidance for Government-Furnished Property into this instruction. The GFP guidance has been updated, specifically the Unit Property officer responsibilities paragraph and the AIM databases has changed to Oracle December 31, 2000.
- bt. 1245.508 - Incorporates new subchapter on Physical Inventories.
- bu. 1248.102(e) - Deletes subchapter to align with FAR.
- bv. 1249.501 - Delegates authority to approve the special purposes clause to the COCO level 2.
- bw. Enclosure (3) - Provides corrected pages previously supplied by TIP 00-17.
- bx. Enclosure (4) - Deletes this enclosure in its entirety.
- by. Enclosure (5) - Deletes this enclosure in its entirety.
- bz. Enclosure (6) - Deletes this enclosure in its entirety.
- ca. Enclosure (8) - Deletes references to CGAP 1204.7002.
- cb. Enclosure (12) - Changes sentence in paragraph (i) to state written notice, vice telegraphic notice.
- cd. Enclosure (15) - Provides two typographic corrections.
- ce. Enclosure (16) - Revises reporting items throughout the enclosure.

- cf. Enclosure (17) - Deletes this enclosure in its entirety.
 - cg. Enclosure (18) - Changes paragraph (a)(1)(i-iv) to align with the new text in CGAP 1215. Changes wording at paragraph (k)(7) to add clarity regarding the competitive range recommendation report. Adds the word "significant" before "weaknesses" on page 22 to mirror FAR 15.306(d)(3).
 - ch. Enclosure (22) - Incorporates guidance to align with the new text at CGAP 1215 and includes a revision to the enclosure title. Provides an editorial change to remove the term "best value" from paragraph a, Methods of Award.
 - ci. Enclosure (23) - Incorporates Policy Guidance for Government Furnished Property.
 - cj. Enclosure (24) - Incorporates new Contracting Officer Warrant Program, published in COCO Alerts 01-01 and 01-30 (TAM Note 01-02).
6. CORRECTIONS. Address comments, suggestions and corrections to Commandant (G-CPM-2).
7. PROCEDURES. Remove and Insert the pages as listed:

<u>Remove</u>	<u>Insert</u>
Table of Contents i-ix	Table of Contents i-viii, CH-2
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Subparts 11-1 thru 11-3	Subparts 11-1, CH-2
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Encl (22) pages 1-2	Encl (22) pages 1-2, CH-2
	Encl (23) pages 1-5, CH-2
	Encl (24) pages 1-10

8. FORMS AVAILABILITY. Forms are available through Jetform-filler.

ROBERT S. HOROWITZ
Director of Finance and Procurement

Encl: (1) CH-2 to Coast Guard Acquisition Procedures (CGAP),
COMDTINST M4200.19F

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COAST GUARD ACQUISITION PROCEDURES (CGAP)

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CGAP 1203	Improper Business Practices and Personal Conflicts of Interest	3-1 to 3-3
CGAP 1204	Administrative Matters	No Supplement
COMPETITION AND ACQUISITION PLANNING		
CGAP 1205	Publicizing Contract Actions	No Supplement
CGAP 1206	Competition Requirements	No Supplement
CGAP 1207	Acquisition Planning	No Supplement
CGAP 1208	Required Sources of Supplies and Services	No Supplement
CGAP 1209	Contractor Qualifications	No Supplement
CGAP 1210	Market Research	No Supplement
CGAP 1211	Describing Agency Needs	11-1
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CGAP 1214	Sealed Bidding	No Supplement
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CGAP 1216	Types of Contracts	16-1
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CGAP 1224	Protection of Privacy and Freedom of Information	No Supplement
CGAP 1225	Foreign Acquisition	No Supplement
CGAP 1226	Other Socioeconomic Programs	No Supplement

Part	Title	Pages
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CGAP 1230	Cost Accounting Standards	No Supplement
CGAP 1231	Contract Cost Principles and Procedures	No Supplement
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CGAP 1233	Protests, Disputes, and Appeals	No Supplement
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CGAP 1236	Construction and Architect-Engineer Contracts	No Supplement
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CGAP 1239	Acquisition of Information Resources	No Supplement
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CGAP 1248	Value Engineering	No Supplement
CGAP 1249	Termination of Contracts	No Supplement
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CGAP 1251	Use of Government Sources by Contractor	No Supplement
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COAST GUARD ACQUISITION PROCEDURES (CGAP)

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SOCIOECONOMIC PROGRAMS		
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CGAP 1221	Reserved	No Supplement
CGAP 1222	Application of Labor Laws to Government Acquisitions	22-1 to 22-3
CGAP 1223	Environment, Conservation, Occupational Safety, and Drug-Free Workplace	23-1
CGAP 1224	Protection of Privacy and Freedom of Information	No Supplement
CGAP 1225	Foreign Acquisition	25-1
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CGAP 1229	Taxes	29-1
CGAP 1230	Cost Accounting Standards	30-1
CGAP 1231	Contract Cost Principles and Procedures	No Supplement
CGAP 1232	Contract Financing	32-1 to 32-8
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CGAP 1250	Extraordinary Contractual Actions	No Supplement
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CLAUSES AND FORMS		
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ENCLOSURES		
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<u>Enclosure</u>	<u>Title</u>	<u>No. of Pages</u>
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**COAST GUARD (CG) IMPLEMENTATION OF PHASE I OF THE DEPARTMENT
OF TRANSPORTATION'S (DOT'S) PROCUREMENT REINVENTION LAB**

1. PURPOSE. The purpose of this CGAP addition is to provide CG contracting personnel with implementation procedures for Phase I of DOT's reinvention laboratory as prescribed in Transportation Acquisition Manual (TAM NOTE) 95-03. Phase I of the reinvention lab gives contracting officials an opportunity to waive portions of the TAM by utilizing a simplified waiver process.
2. DEFINITIONS.
 - a. Innovative Strategies. Innovative idea that should be shared with others and is within the parameters of the FAR, TAR, and TAM.
 - b. Blanket Waiver. Waivers to the TAM that have been approved by the Senior Procurement Executive (SPE) for use by all Department of Transportation (DOT) contracting officers under the Procurement Reinvention Lab partnering agreement.
 - c. Targeted Waiver. Waiver to a specific TAM requirement. Targeted Waivers are recommended by individual contracting officers under the DOT procurement reinvention laboratory partnering agreement.
3. SUMMARY OF CGAP BLANKET WAIVERS. In response to TAM NOTE 95-03, the Coast Guard waives CGAP requirements which correspond to TAM Chapters that have been designated for blanket waivers. When the blanket waiver is registered with the DOT reinvention lab, the coinciding CGAP subchapter requirements shall also be waived as applicable:
 - a. 1204.7003(b) and (c) - Addresses Coast Guard specific required approval levels for solicitations, contracts, contract modifications, and pre/post negotiation memoranda.
 - b. 1204.7004 - States that all contract review comments and resolutions shall be in writing and included in every contract file.
4. PROCEDURES.
 - a. Blanket Waiver Registration. Coast Guard contracting officers are required to submit blanket waiver registrations to COMDT (G-CPM) via electronic mail to dshort@comdt.uscg.mil or FAX to (202) 267-4011. Blanket waivers will then be forwarded to the Office of Senior

Procurement Executive (OSPE) for submission in the reinvention lab.

- b. Targeted Waiver Registration. Prior to submission of an experimental targeted waiver, it is recommended that the contracting officer request assistance from Ms. Desyria Short of COMDT (G-CPM-2) at (202) 267-2635. Contracting Officer must submit the registration to COMDT (G-CPM) via electronic mail to dshort@comdt.uscg.mil or FAX to (202) 267-4011 for processing of waivers, as necessary. The target waiver will be forwarded to the OAGM where the SPE must provide signed approval prior to use.
- c. Legal review. If necessary, the contracting officer should obtain legal review from servicing counsel before submitting registrations.
- d. Registration Waivers. For the purpose of using a blanket waiver, waiving other CGAP requirements or other CG instructions, directives, notices, bulletins, relating to the experiment, the contracting officer shall complete the Coast Guard checklist at page ix of this notice. Local procurement office requirements such as instructions, notices, directives relating to the waived area shall also be waived.
- e. Interim and Final Activities Information. Coast Guard contracting officers are required to submit interim and final activities information via COMDT (G-CPM-2) for processing and monitoring, and transmittal to the OSPE.

CG CHECKLIST OF DIRECTIVES EFFECTIVE BY DOT
REINVENTION EXPERIMENT

Coast Guard Waivers to be granted as a result of the DOT
reinvention experiment are listed below:

A. Blanket Waivers - check CGAP reference which applies to the
TAM blanket waiver being registered.

_____ CGAP 1204.7003(b) and (c).

_____ CGAP 1204.7004

B. Target Waivers - CG CGAP subchapters, instructions,
directives, and notices being waived as a result of a targeted
TAM waiver are as follows:

C. Other Information - record additional references or comments
below (This should include a discussion of waiver approval for
other CG instructions, notices, directives or bulletins from the
appropriate authority):

CGAP PART 1204
ADMINISTRATIVE MATTERS
(RESERVED)

CGAP PART 1205
PUBLIZING CONTRACT ACTIONS
(RESERVED)

CGAP PART 1206
COMPETITION REQUIREMENTS
(RESERVED)

CGAP PART 1207
ACQUISITION PLANNING
(RESERVED)

CGAP PART 1208
REQUIRED SOURCES OF SUPPLIES AND SERVICES
(RESERVED)

CGAP PART 1209
CONTRACTOR QUALIFICATIONS
(RESERVED)

CGAP PART 1210
MARKET RESEARCH
(RESERVED)

CGAP PART 1211 DESCRIBING AGENCY NEEDS

CGAP SUBPART 1211.5 LIQUIDATED DAMAGES

CGAP SUBPART 1211.502 Policy.

If a liquidated damages clause is to be used in a contract, the contracting officer shall document the file addressing the elements of FAR 11.502(a) and FAR 11.502(b). This documentation shall include a discussion of the reasons for including a liquidated damages clause and the basis for determining the rate of liquidated damages. The contracting officer should obtain the advice of legal counsel. See CGAP Subchapter 1214.201-91 for liquidated damages under ship repair contracts.

CGAP PART 1212
ACQUISITION OF COMMERCIAL ITEMS
(RESERVED)

CGAP PART 1213
SIMPLIFIED ACQUISITION PROCEDURES
(RESERVED)

CGAP PART 1214
SEALED BIDDING
(RESERVED)

CGAP PART 1215
CONTRACTING BY NEGOTIATIONS
(RESERVED)

CGAP PART 1220
LABOR SURPLUS AREA CONTRACTING
(RESERVED)

CGAP PART 1221
(RESERVED)

CGAP PART 1223
ENVIRONMENT, CONSERVATION, OCCUPATIONAL SAFETY,
AND DRUG-FREE WORKPLACE
(RESERVED)

CGAP PART 1224
PROTECTION OF PRIVACY AND FREEDOM OF INFORMATION
(RESERVED)

CGAP PART 1225
FOREIGN ACQUISITION
(RESERVED)

(RESERVED)
CGAP PART 1226
OTHER SOCIOECONOMIC PROGRAMS
(RESERVED)

CGAP PART 1227
PATENTS, DATA, AND COPYRIGHTS
(RESERVED)

CGAP PART 1229
TAXES
(RESERVED)

CGAP PART 1230
COST ACCOUNTING STANDARDS ADMINISTRATION
(RESERVED)

CGAP PART 1231
CONTRACT COST PRINCIPLES AND PROCEDURES
(RESERVED)

CGAP PART 1233
PROTESTS, DISPUTES, AND APPEALS
(RESERVED)

CGAP PART 1234
MAJOR SYSTEM ACQUISITION
(RESERVED)

CGAP PART 1235
RESEARCH AND DEVELOPMENT CONTRACTING
(RESERVED)

CGAP PART 1236
CONSTRUCTION AND ARCHITECT-ENGINEER CONTRACTS
(RESERVED)

CGAP PART 1237 SERVICE CONTRACTING

CGAP SUBPART 1237.1 SERVICES CONTRACTS

CGAP SUBPART 1237.104 Personal services contracts.

CGAP SUBPART 1237.104-90 Delegation of authority.

(b) This subpart prescribes policy and procedures to contract for direct (personal services) health care services authorized by 310 U.S.C. 1091 (a) to (c). This subpart does not preclude the acquisition of health care services by contract nor does it apply to nonpersonal services, both of which are authorized. The authority under TAR 1237.104-90 (b) and 1237.104-91 to procure personal health care services is delegated to contracting officers at the Maintenance and Logistics Commands Atlantic (fcp) and Pacific (fcp).

CGAP SUBPART 1237.104-91 Personal services contracts with individuals under the authority of 10 U.S.C. 1091.

(a) Direct (personal services) health care services are those services provided by health care providers who participate in clinical patient care and services (e.g., nurses, radiology technicians, dental hygienists, medical technologists, etc.). The services of personnel whose duties are predominantly administrative or clerical and personnel who provide maintenance or security services are not covered.

(g) By authority of 10 U.S.C. Section 1091(a), the Secretary of Transportation is authorized to contract with persons for services (including personal services) for the provision of direct health care services. The amount of the annual compensation paid to an individual in any one year shall not exceed a full-time equivalent rate of \$200,000 each year.

(k) As part of the documentation requirements of FAR 37.103(a)(1) and (3) and FAR 37.104(a), (b) and (e), contracting officers shall cite 10 U.S.C. 1091 as the authority to issue a personal service contract for health care services.

CGAP SUBPART 1237.104-92 Exemption, prohibition, and limitation.

(a) When contracting for personal services for health care services with individuals who are former federal employees, the contracting officer shall comply with the Federal Workforce Restructuring Act.

(b) Contracting officers shall consult Chapter 11, Commandant Instruction M6000.1 (series), Medical Manual for the limitations and prohibitions regarding funding, personnel eligibility, and payments under contracts for personal services for health care.

**CGAP SUBPART 1237.110 Solicitation provisions and contract
Clauses.**

Pending the specific direction of the Office of Senior Procurement Executive (OSPE), contracting officers shall, in addition to the existing prescription at TAR 1237.110, insert the clause at TAR 1252.237-70, Qualification of Employees, in all Information Technology (IT) solicitations and contracts for services that require design, development, or operation and maintenance of sensitive applications. Coast Guard Commandant Instruction M5500.13A, Automated Information Systems (AIS) Security Manual, covers the responsibilities and procedures necessary to ensure adequate security of Coast Guard computer systems. For the Coast Guard, contracting officers shall contact Commandant (G-CFI) regarding questions relating to contractor background checks.

CGAP PART 1238
FEDERAL SUPPLY SCHEDULE CONTRACTING
(RESERVED)

CGAP PART 1239
ACQUISITION OF INFORMATION RESOURCES
(RESERVED)

CGAP PART 1240
(RESERVED)

CGAP PART 1241
ACQUISITION OF UTILITY SERVICES
(RESERVED)

CGAP PART 1247
TRANSPORTATION
(RESERVED)

CGAP PART 1248
VALUE ENGINEERING
(RESERVED)

CGAP PART 1249
TERMINATION OF CONTRACTS
(RESERVED)

CGAP PART 1251
USE OF GOVERNMENT SOURCES BY CONTRACTORS
(RESERVED)

CGAP PART 1252
SOLICITATION PROVISIONS AND CONTRACT CLAUSES
(RESERVED)

CGAP PART 1253
FORMS
(RESERVED)

CGAP CHAPTER 1201 COAST GUARD ACQUISITION PROCEDURES SYSTEM

CGAP SUBCHAPTER 1201.2 ADMINISTRATION

CGAP SUBCHAPTER 1201.201 Maintenance of the FAR.

CGAP SUBCHAPTER 1201.201-70 Submission of suggested changes.

(a) Suggested changes to the FAR, TAR, and TAM are to be forwarded to Commandant (G-CPM) for review and approval. Commandant (G-CPM) will transmit recommended changes to the SPE.

CGAP SUBCHAPTER 1201.4 DEVIATIONS

CGAP SUBCHAPTER 1201.403 Individual deviations.

Requests for individual deviations from the FAR, TAR, TAM and CGAP shall be submitted by the COCO either Level 1 or Level 2, to Commandant (G-CPM) for processing. Commandant (G-CPM) will coordinate the request with Commandant (G-LPL). Requests shall include the information required by TAM 1201.403. Commandant (G-CFP) is delegated the authority to approve individual deviations to the FAR, TAR, and TAM, and transmit the approved deviations to the Department of Transportation Senior Procurement Executive. Commandant (G-CPM) is the approving authority for individual deviations to the CGAP.

CGAP SUBCHAPTER 1201.404 Class deviations.

Requests for class deviations to the FAR, TAR, TAM, and CGAP shall be submitted by the COCO either Level 1 or Level 2, via appropriate channels to Commandant (G-CPM) for processing. Commandant (G-CPM) will coordinate the request with Commandant (G-LPL). Requests shall include the same type of information required by TAM 1201.403. Commandant (G-CPM) is the approving authority for class deviations to the CGAP. Requests for FAR, TAR, and TAM class deviations to the DOT Senior Procurement Executive will be forwarded for approval.

CGAP SUBCHAPTER 1201.490 Abolish Red Tape in Contracting (ARTIC) Program.

The ARTIC program establishes policy and procedures for Coast Guard Contracting activities participation at Enclosure (15).

CGAP SUBCHAPTER 1201.6 CAREER DEVELOPMENT, CONTRACTING AUTHORITY AND RESPONSIBILITIES

CGAP SUBCHAPTER 1201.602 Contracting Officers.

CGAP SUBCHAPTER 1201.602-2 Responsibilities.

The policy for the Coast Guard's selection, training and certification of COTRs is discussed in TAM 1242-70 and CGAP Subchapter 1242.70, Appendix A.

CGAP SUBCHAPTER 1201.602-390 Ratification of unauthorized commitments.

(a) Commitments made by other than authorized personnel are considered a matter of serious misconduct. Consideration shall be given to initiating disciplinary action. The individual who made the unauthorized commitment may be held personally liable.

(b) The HCA has delegated the authority to approve or disapprove all ratifications of unauthorized commitments to the COCO. All COCO warrants must be sufficient to ratify the action. All ratifications which exceed \$2,500 must be reviewed by local legal counsel for legal sufficiency and forwarded to the COCO.

(c) In addition, a report of all unauthorized commitments above \$2,500 shall be forwarded to Commandant (G-CPM) on a quarterly basis. The report shall include the Procurement Request number, description of action, dollar value, whether the unauthorized action was ratified, the date the unauthorized commitment occurred, and the date of the ratification. The report is due no later than the close of business on the 15th of January, April, July and October of the fiscal year (e.g., no later than 15th of January for the quarter ending 31 December). Where applicable, reports shall be forwarded through the chain of command via the Commander, Maintenance and Logistics, Atlantic (f) and Pacific (f) or (v).

(e) The COCO shall render a final decision within 30 calendar days of receipt of the ratification request. Once a decision has been rendered, all documentation shall be forwarded to the appropriate contracting officer. If an unauthorized commitment is approved for ratification, a purchase order or other contract document for payment purposes shall be processed by the contracting officer. If an unauthorized commitment is disapproved for ratification (nonratifiable), the contracting officer shall promptly notify the individual who made the unauthorized commitment, in writing, stating the reasons for disapproval and recommending the individual obtain legal advice (reference FAR 1.602-3(d)). The contracting officer must also advise the individual that the nonratifiable commitment will not be paid in accordance with prescribed contracting methods of payment. In those cases where the action is a nonratifiable unauthorized commitment which involves the use of the Bank of

America credit card or payment has already been effected via the SMART PAY program, the responsible individual may be billed or a pay adjustment authorization may be initiated.

(f) The COCO shall maintain a separate file containing a copy of each request for ratification and a record of the decision. The file shall also contain a copy of the purchase order if the request for ratification was approved. All such files will be maintained separate from other contract files for audit purposes.

CGAP SUBCHAPTER 1201.603 Selection, appointment, and termination of appointment.

CGAP SUBCHAPTER 1201.603-1 General.

Policy setting forth guidelines for appointment of contracting officers in the U.S. Coast Guard is included in Enclosure (24), Contracting Officer Warrant Program.

CGAP SUBCHAPTER 1201.690 Participation of legal counsel in The procurement process.

(a) It is Coast Guard policy that legal counsel participate fully in the entire procurement process from advance procurement planning to contract completion or termination, and closeout. The contracting officer shall review the applicable CGAP and corresponding FAR, TAR, and TAM citations to determine whether or not legal review is mandatory or recommended.

(b) Whenever legal review is mandatory or desired, the contracting officer shall include all supporting documents with the file forwarded for review. Coordination during the preparation of documents to be submitted for legal review will minimize the review time.

(c) See CGAP Part 1203 for legal coordination on fraud and criminal conduct; CGAP Subchapter 1204.7003(b)(2) on legal reviews of contracting actions; CGAP Subchapter 1214.404-1(c) for legal review of cancellation of invitations after bid opening; CGAP Chapter 1227 for legal coordination on patents; CGAP Subchapter 1228.1 for legal advice on bonds and insurance; and CGAP Chapter 1233 for legal coordination on disputes and protests.

(d) The contracting officer may require legal review of any procurement action consistent with the availability of legal counsel; however, in addition to the requirements for legal review in FAR, TAR, TAM and CGAP, the following matters require consultation and coordination with legal counsel:

(1) Correspondence on procurement policy that requires the signature of the Commandant, Vice Commandant, Chief of Staff, MLC Commander, or the Superintendent of the Academy.

(2) Proposed procurement policy statements and procedures.

(3) The draft of a proposed new provision or clause.

(4) Questions of application of laws, interpretation of court precedence or conflicts in statutory or regulatory guidance. This includes procedural guidance which interprets or limits or expands such reviews/applications/interpretations.

(5) Legal counsel attendance at meetings in which contractor is represented by counsel.

(e) Legal review shall be requested orally or in writing through the chain of command, unless otherwise specified by local procedures.

CGAP CHAPTER 1204 ADMINISTRATIVE MATTERS

CGAP SUBCHAPTER 1204.2 CONTRACT DISTRIBUTION

CGAP SUBCHAPTER 1204.203 Taxpayer identification information.

(b) For the Coast Guard, contracting officers shall ensure that the vendor/contractor Taxpayer Identification Number (TIN) appears on all the following documents, for Services, regardless of amount, before transmittal to the Finance Center for payment:

(1) LUFS units: For Purchase Orders, Delivery Orders and Blanket Purchase Agreements, place the TIN in the TIN field portion of the vendor block (block 17a of the Standard Form (SF) 1449 or block 7 of the Optional Form (OF) 347). The TIN field will not print on the forms because the TIN must be protected from public disclosure; however the TIN will be electronically transmitted to FINCEN, where the data can be retrieved.

(2) Non-LUFS units: For Purchase Orders, Blanket Purchase Agreements, place the TIN in the Schedule Section (block 20 of the SF 1449 or block 17b of the OF 347 but ensure that this field is not printed and is protected from public disclosure.

(3) For Category II, place the TIN on the MIPR Acceptance DD Form 448-2, block 13. This field must be protected from public disclosure.

CGAP SUBCHAPTER 1204.6 CONTRACT REPORTING

CGAP SUBCHAPTER 1204.601 Records requirements.

(d) The CIS Users Guide is available at the Department of Transportation's Acquisition and Grants Homepage website, <http://www.dot.gov/ost/m60/>.

(2) CIS data entry should be accomplished via the CIS On-line Data Entry System, CISv2.0. Contracting Officers unsure as to local procedures should contact their cognizant COCO. CIS shall be monitored by G-CPM-2 to ensure entries are made by contracting offices.

CGAP SUBCHAPTER 1204.602 Federal Procurement Data System.

(c) The SF 281, Federal Procurement Data System (FPDS)-Summary Contract Action Report (\$25,000 or less) is submitted quarterly to Commandant (G-CPM/S-1) as established in TAM Chapter

1204, the CIS Users Guide, Appendix K and COMDTINST M4200.13 (series), Simplified Acquisition Handbook. These reports are recorded, summarized, and consolidated into one Coast Guard Report and sent to the Office of the Senior Procurement Executive, (OSPE), (M-60).

**CGAP SUBCHAPTER 1204.602-72 Uniform procurement instrument
identification numbering system.**

CGAP SUBCHAPTER 1204.602-7201 Policy.

(b) This subchapter prescribes procedures for assigning identifying Procurement Instrument Identification Numbers (PIINs) to all contracts and other related instruments. This includes Supplementary PIINs for Coast Guard orders in accordance with TAM Subchapter 1204.602-72, except as specified below. Deviations to TAM subchapter 1204.602-72 and Coast Guard unique instructions are established at CGAP Subchapters 1204.602-7202 and 1204.602-7203.

**CGAP SUBCHAPTER 1204.602-7202 The basic procurement
instrument identification
number.**

(a) Elements of the PIIN.

(1)-(4) The first six positions shall be consistent with TAM Subchapter 1204.602-7202(1)-(3). Positions five and six shall be numeric or alphanumeric characters which uniquely identify the contracting activity preparing the instrument. A listing of applicable procurement office numbers, names, and addresses is contained in the CIS Users Guide. Positions seven and eight shall be consistent with TAM Subchapter 1204.602-7202.

(5) The ninth position shall be a capital letter assigned to indicate the type of instrument code as established by TAM Subchapter 1204.602-7202, except as follows:

(i) A - Agreement: Use in accordance with TAM Subchapter 1204.602-7202(a)(5) except for those contracting activities subject to Departmental Accounting Finance Information System (DAFIS) accounting procedures and to invoice payment by the Coast Guard Finance Center. See CGAP Subchapter 1204.602-7202(a)(5)(iii) and (vi) involving an exclusion for Subsistence for Dining Facilities (Supply Fund AFC82) Blanket Purchase Agreements.

(ii) F - Delivery Orders: Use in accordance with TAM subchapter 1204.602-7202(a)(5) except for those contracting activities subject to DAFIS accounting procedures and to invoice payment by the Coast Guard Finance Center. See CGAP Subchapter 1204.602-7202(a)(5)(iii), (vii), and (viii) for orders with the Superintendent of Documents, Government Printing Office and Federal Prison Industries, Inc. (UNICOR). Also, see CGAP Subchapter 1204.604-7203.

(iii) P - Purchase Order: Use in accordance with TAM Subchapter 1204.602-7202(a)(5) except for those contracting activities subject to DAFIS accounting procedures and to invoice payment by the Coast Guard Finance Center. See conditions below for assignment of instrument codes N, T, V, W and Y. Use instrument code P in the ninth position if the conditions for use of N, T, V, W and Y do not apply.

(iv) N - Construction or Service purchase orders when using simplified acquisition procedures which require contracting officer approval for payments.

(v) T - Purchase orders for Transportation services when using simplified acquisition procedures.

(vi) V - Purchase Orders and Basic Purchase Agreements for Subsistence for Dining Facilities (Supply Fund AFC82).

(vii) W - Purchase orders for UNICOR.

(viii) Y - Purchase orders for the Superintendent of Documents, Government Printing Office.

(6) Position ten through fourteen or fifteen.

(i) For those contracting activities not subject to invoice payment by the Coast Guard Finance Center, the tenth through fourteenth positions shall be numeric and serialized. PIINs for the contracting activity shall begin with the number 00001 at the start of each fiscal year. A contracting activity, however, may choose to use the first digit of the serial number to indicate a branch or division processing the instrument. The next four digits must then be serially numbered.

(ii) For those contracting activities subject to DAFIS accounting procedures and invoice payment by the Coast Guard Finance Center, the tenth through fifteenth positions shall incorporate part of the DAFIS document number to identify all instruments. The alphanumeric characters beginning with the Region or District and ending with the Serial Number shall constitute the tenth through fifteenth positions. An example of a DAFIS document number is:

24	94	23	4	H	PE	123	000
Doc	FY of	Procurement	FY	Region or	Program	Serial	Suffix
Type	Funding	Site (CIS)	Initial	District	Element	Number	
			Contract				
			Award				

Using the above DAFIS document number, a solicitation PIIN

would be "DTCG23-94-B-HPE123" and the contract PIIN would be "DTCG23-94-C-HPE123."

**CGAP SUBCHAPTER 1204.602-7203 Supplementary procurement
instrument identification number,
used in conjunction with basic PIIN.**

(a) Coast Guard contracting activities shall use the following for assignment of supplementary numbers in conjunction with the basic PIIN:

(3) Orders.

(iii) The supplementary PIIN for orders in accordance with TAM Subchapter 1204.602-7203(a)(3)(i) and (ii) shall be as follows:

(A) For those contracting activities which are not subject to invoice payment by the Coast Guard Finance Center, the supplementary PIINs for the orders under contracts and agreements shall use a six position numeric serial number. The first two positions shall be the last two digits of the fiscal year when the order is placed, for example, the first two positions of an order placed in fiscal year 1994 would be 94. The last four positions shall be numbered sequentially each fiscal year beginning with 0001. An example of a supplementary PIIN for orders would be "94-0001."

(B) For contracting activities subject to DAFIS accounting procedures that are paid by the Coast Guard Finance Center, which place delivery/task order against other OA's contract or agreement, the supplementary PIIN for the delivery/task order must consist of fifteen positions as described at CGAP subchapter 1204.602-7202. The supplementary PIIN shall include an "F" in position nine and for position ten through fifteen, the six alphanumeric characters extracted from the DAFIS document number. The position ten through fifteen sequence shall begin with the Region or District and ending with the Serial Number (see the example at CGAP subchapter 1204.602-7202(a)(6)(ii) above). An example of the supplementary PIIN for orders would be "DTCG23-94-F-HPE123."

**CGAP SUBCHAPTER 1204.670 Acquisition related reporting
requirements.**

Contracting offices shall comply with the respective CGAP subpart and subchapter due date and submission requirements. A consolidated listing of all the report due dates to G-CPM is available at the G-CPM Intranet site
<http://cgweb.comdt.uscg.mil/G-CFP/g-cpm/procure/reportlist.html>

CGAP SUBCHAPTER 1204.8 GOVERNMENT CONTRACT FILES

CGAP SUBCHAPTER 1204.802 Contract files.

(a) Each contract file should have at least four separate parts as follows: (1) Preaward, (2) Contract and/or Modification(s), (3) Postaward Correspondence, and (4) Deliveries, Payments, and Receipts.

(b) Coast Guard Form CG-4788, Contract File Content Checklist-Preaward Contract File (February 1998 Revision), shall be used for organizing the preaward portion of the contract files. It may also be used for modifications.

(c)(5) Contract file documents created and entered into the file after the fact, must be dated after the fact and annotated with rationale explaining why it was not done in a timely manner.

CGAP SUBCHAPTER 1204.9 TAXPAYER IDENTIFICATION NUMBER INFORMATION

CGAP SUBCHAPTER 1204.903 Reporting contract information to the IRS.

(b)(1) For the Coast Guard, notwithstanding the fact that the new requirement applies to payments for services over \$600.00, contracting officers shall ensure that all applicable purchase orders/delivery orders, BPAs and MIPRs regardless of amount, contain the contractor's TIN in accordance with CGAP 1204.203(b).

CGAP SUBCHAPTER 1204.905 Solicitation provision.

In addition to the collection of the Taxpayer information provided by the contractor at FAR 52.204-3, the contracting officer shall ensure that procedures at CGAP Subchapter 1204.2 and 1204.903 are followed.

CGAP SUBCHAPTER 1204.70 Coast Guard Review and Approval Requirements of Contracts and Contract Related Documents.

CGAP SUBCHAPTER 1204.7000 Scope of subchapter.

This subchapter prescribes solicitation, negotiation memoranda and other contract/modification action review and approval requirements. Contracting Officers must also see CGAP Subchapter 1237.103(c) regarding review requirements for Performance-Based Service Contract actions, including solicitations, contracts and task orders.

CGAP SUBCHAPTER 1204.7001 Definitions.

(a) The "independent review" requirement at TAM Subchapter 1204.7001, Definitions, may also be accomplished by a review of another Contract Specialist of equal or higher grade, or another Contracting Officer of equal warrant authority (dollar and contract type), for Coast Guard Chief of the Contracting Office (COCO) drafted documents or where COCO is the contracting officer responsible for the action.

CGAP SUBCHAPTER 1204.7003 Review and approval procedures.

(b) Coordination with Technical/Program Office and Legal Reviews.

(2) Legal review and sufficiency. All Headquarters proposed solicitations and contractual actions valued at \$500,000 or more (including options not covered by subchapter 1204.7002(c)(1)(v)), shall be reviewed by legal counsel. For field contracting activities, the mandatory review level is \$100,000 which may be raised by the head of the reviewing legal office up to \$500,000 after obtaining Commandant (G-CPM) concurrence. Correspondence regarding legal review increases must be routed via Commandant (G-LPL). All letter contracts of any value shall be reviewed by legal counsel. This subchapter's paragraph also applies to acquisitions conducted under FAR subpart 13.5, Test Program for Certain Commercial Items. Legal review is recommended at any value where the acquisition approach, industry comments, procurement history, or other factors indicate a likelihood of legal issues arising. Legal review is recommended for any actions where offerors are excluded prior to award in negotiated procurements.

(c) For acquisitions valued over \$500,000, the level above approval for COCO drafted solicitations, contract awards, and contract modifications may be accomplished by a nonprocurement professional based on the results of the independent reviews.

CGAP SUBCHAPTER 1204.7004 Procedural documentation requirements.

(a) The contract record of review, enclosure (8), may be used to document reviews and approvals.

CGAP SUBCHAPTER 1204.7005 Periodic compliance reviews.

Procurement Management Review (PMR) procedures are established in COMDTINST 4200.30 (series).

CGAP SUBCHAPTER 1204.90 Internal Controls.

Commandant Instruction M5700.8 (series), Internal Control Systems Program, details Coast Guard policies and procedures concerning assessment of internal control systems.

**CGAP SUBCHAPTER 1204.91 Use of Procurement Instrument
Identification (PII) Numbers.**

CGAP SUBCHAPTER 1204.9100 Scope of subchapter.

This subchapter prescribes procedures to be used by contracting activities when procuring material for a Coast Guard Inventory Control Point with the consignee of the material being Department of Defense Inventory Control Points.

CGAP SUBCHAPTER 1204.9101 Definitions.

A Procurement Instrument Identification (PII) Number is a 13-character number described in Subpart 204.70 of the Department of Defense FAR Supplement.

CGAP SUBCHAPTER 1204.9102 Policy.

When ordering material for a Coast Guard Inventory Control Point (see CGAP Subchapter 1204.9100) with the consignee of the material being Department of Defense (DOD) Inventory Control Points, it is necessary that the DOD facility be able to properly identify and process the Coast Guard material. Contracting activities shall use a PII Number as prescribed in this subchapter to accomplish effective material handling.

CGAP SUBCHAPTER 1204.9103 Procedure.

(a) Coast Guard contracts and purchase orders shall contain a Department of Defense (DOD) thirteen-character PII number in addition to, and immediately above, the document's Coast Guard contract or purchase order number, the Procurement Instrument Identification Number (PIIN) which is described in CGAP Subchapter 1204.602-72 and TAM Subchapter 1204.602-72. The thirteen-character number shall be immediately preceded by "PII Number." A copy of the contract or purchase order shall be forwarded to the applicable Coast Guard Inventory Control Point.

(b) The contract or purchase order shall stipulate that all shipping containers and contractor documentation must contain the DOD "PII Number."

(c) PII Numbers required by the circumstances prescribed at CGAP Subchapter 1204.9102 shall be developed based upon the PIIN described in CGAP Subchapter 1204.602-72, deleting the first character of the five-position numeric serial number or deleting the first and second characters of the six-position alpha-numeric DAFIS serial number.

(d) The DOD PII Number for the fourteen-character Coast Guard contract PIIN DTCG40-94-C-00123, for example, would be:
DTCG40-94-C-0123

(1) The first four positions of this field shall always be "DTCG" for the Department of Transportation, U. S. Coast Guard. The fifth and sixth positions shall be numeric characters which uniquely identify the contract activity preparing the instrument.

(2) The seventh and eighth positions represent the last two digits of the fiscal year in which the contract is awarded.

(3) The ninth position represents the instrument code. See CGAP Subchapter 1204.602-72.

(4) The tenth through thirteenth positions are the serial numbers of the contract or purchase order. The serial number shall be adjusted one space to the right. See CGAP Subchapter 1204.9103(d).

(e) The PII Number for the fifteen-character Coast Guard contract PIIN DTCG23-94-C-HP123, for example, would be: DTCG23-94-C-E123

(1) The first through ninth positions are established as described in CGAP Subchapter 1204.9103(d)(1) through (3).

(2) The tenth through thirteenth positions are the serial numbers of the contract or purchase order. The serial number shall be adjusted two spaces to the right.

CGAP CHAPTER 1205 PUBLICIZING CONTRACT ACTIONS

CGAP SUBCHAPTER 1205.2 SYNOPSES OF PROPOSED CONTRACTS ACTIONS

CGAP SUBCHAPTER 1205.202 Exceptions.

(a) The contracting officer determination must be in writing and placed in the contract file, unless documented elsewhere in the contract file (e.g., justification for other than full and open competition, prenegotiation memorandum, price negotiation memorandum.)

(b) The contracting officer shall contact the Small Business Program Officer, Commandant (G-CPM/S-1), to coordinate notification to the Administrator for Federal Procurement Policy and to the Administrator of the Small Business Administration.

CGAP SUBCHAPTER 1205.3 SYNOPSES OF CONTRACT AWARDS

CGAP SUBCHAPTER 1205.303 Announcement of contract awards.

(a) Public Announcement. The requirements of this subchapter do not apply to awards under the 8(a) program or Javits-Wagner O'Day Act. The contracting officer shall complete DOT F 4220.41, Contract Award Notification, to satisfy the requirements of TAM 1205.303. The contracting officer shall mail the original copy of the form directly to the DOT (I-1) or transmit via telefax (202-366-3675) and send one copy each to Commandant (G-ICA) and Commandant (G-IPA). Receipt of FAX by DOT (I-1) may be confirmed by calling 202-366-9714. When delay in award of the contract action would result in serious injury (financial or otherwise) to the Coast Guard, the contracting officer shall provide the information required by the form to DOT (I-1) telephonically, concurrent with the award notice to the contractor. The telephonic approval shall be documented on the form and placed in the contract file, and one copy each of the documented form shall be mailed to Commandant (G-ICA) and Commandant (G-IPA).

CGAP SUBCHAPTER 1205.4 RELEASE OF INFORMATION

CGAP SUBCHAPTER 1205.403 Requests from Members of Congress.

(a) Individual requests. The contracting officer shall refer to COMDTINST M5260.2 (series), Privacy and Freedom of Information Acts, when preparing a response that would result in disclosure of business confidential information.

CGAP SUBCHAPTER 1205.404 Release of long-range acquisition estimates.

CGAP SUBCHAPTER 1205.404-1 Release procedures.

(a) and (b) The authority to release long-range acquisition estimates (excluding classified information), if the information will meet the requirements of FAR 5.404-1, is delegated to the COCO Level 2.

CGAP SUBCHAPTER 1205.5 PAID ADVERTISEMENTS

CGAP SUBCHAPTER 1205.502 Authority.

(a) Newspapers. The authority to approve publication of paid advertisements in newspapers is delegated to the COCO either Level 1 or Level 2.

CGAP SUBCHAPTER 1205.504 Use of advertising agencies.

In addition to the requirements in FAR 5.504, the contracting officer may acquire advertising placement services through local advertising agencies only when no national Coast Guard contract exists for the requirement. The technical representative for national contracts for recruitment advertising is Commander (CGPC-c), Coast Guard Personnel Command.

CGAP SUBCHAPTER 1205.590 Advertising for recruiting purposes.

In addition to the approval required by CGAP Subchapter 1205.502(a), the contracting officer shall ensure the requester obtains approval from Commander (CGPC-c), Coast Guard Personnel Command, to recruit, through paid advertisements, service and cadet applicants. Approval from Commander (CGPC-c) is not required when recruiting through paid advertisements in the local newspaper.

CGAP CHAPTER 1207 ACQUISITION PLANNING

CGAP SUBCHAPTER 1207.1 ACQUISITION PLANS

CGAP SUBCHAPTER 1207.101-70 Applicability.

(a) In addition to procurement forecasting, an acquisition plan, which contains a plan of action that at a minimum includes milestones for the acquisition cycle, is required to satisfy the acquisition planning requirements of FAR Part 7. Enclosure (9) is a guide for developing acquisition plans and will suffice as one, where applicable, for acquisitions over the simplified acquisition threshold to \$5 million. However, more complex acquisitions may require additional detail. Contracting officers are the approving officials for acquisition plans and updates for acquisitions over the simplified acquisition threshold to \$5 million.

CGAP SUBCHAPTER 1207.103-70 Other official's responsibilities.

(d) Competition Advocate. The Procuring Activity Competition Advocate (See CGAP Subchapter 1206.570) is the cognizant competition advocate within the OA who is responsible for reviewing streamlined acquisition plans before they are submitted to the approving official when other than full and open competitive procedures are expected to be used.

CGAP SUBCHAPTER 1207.171 Update, approval, and distribution procedures for streamlined acquisition plans.

(b) Approval. For acquisitions valued over \$50 million, the Vice Commandant (G-CV) is the approving official for acquisition plans and updates. Acquisition plans and updates shall be submitted to Commandant (G-CPM)) which in turn will forward the plan or update to G-CV. For acquisitions valued over \$5 million to \$50 million, the contracting officer is the approving official for streamlined acquisition plans and updates.

CGAP CHAPTER 1211 DESCRIBING AGENCY NEEDS

CGAP SUBCHAPTER 1211.002 Policy

(b) COMDTINST 5711.2, Coast Guard Transition to the Metric System, requires offices to consider and incorporate metric requirements early in systems acquisitions. The Coast Guard metric Transition Plan, which supplements COMDTINST 5711.2, is available through Commandant (G-SLP). This plan describes the Coast Guard's overall strategies for metrication and provides general requirements and procedures for achieving these goals. Commandant (SLP) coordinates an annual update on plan tasks with each office having responsibility for that function.

(d) For DOT policy concerning the Resource and Recovery Act of 1976 and Executive Order 13101, Greening the Government Through Waste Prevention, Recycling and Federal Acquisition, see TAM Chapter 1223, Appendix A, at http://www.dot.gov/ost/M60/earl/chap_1223.htm.

CGAP SUBCHAPTER 1211.6 PRIORITIES AND ALLOCATIONS

CGAP SUBCHAPTER 1211.603 Procedures.

(e) and (f) The contracting officer shall contact Commandant (G-CPM-2) immediately upon identifying a need to assign a DX rating to any document, and prior to any such assignment.

(g) The designated point of contact to assist contracting offices with requests for Special Priorities Assistance (SPA) is Commandant (G-CPM-2). Upon receipt of a Form ITA-999, Request for Special Priorities Assistance, the contracting officer shall ensure that the form is complete and the information is accurate. If the request for assistance cannot be resolved by the contracting officer, the contracting officer shall attach the information required for Blocks 18(a) through (c) and 19(e) through (g) to Form ITA-999 and forward the complete package to Commandant (G-CPM-2) for further action.

(h) The contracting officer shall provide a written report of any violations of the Defense Priorities and Allocations System (DPAS) to Commandant (G-CPM-2) for review and forwarding to Department of Commerce.

CGAP CHAPTER 1214 SEALED BIDDING

CGAP SUBCHAPTER 1214.2 SOLICITATION OF BIDS

CGAP SUBCHAPTER 1214.201 Preparation of invitations for bids.

CGAP SUBCHAPTER 1214.201-7 Contract clauses.

The authority to waive the requirement for inclusion of the clauses at FAR 52.214-27, "Price Reduction for Defective Cost or Pricing Data--Modifications--Sealed Bidding," and at FAR 52.214-28, "Subcontractor Cost or Pricing Data--Bidding," in a contract with a foreign government or an agency of a foreign government is delegated to the COCO Level 2.

CGAP SUBCHAPTER 1214.201-8 Price related factors.

CGAP SUBCHAPTER 1214.201-890 Price related factors in the award of vessel repair contracts.

(a) Foreseeable costs in connection with the differences of shipyard locations in the award of commercial vessel repair contracts must be evaluated under both sealed bidding and competitively negotiated acquisitions. The contracting officer will determine the applicability of these costs based on the circumstances of each acquisition. Among those that commonly apply (this list is not inclusive) are:

- (1) Travel and per diem.
- (2) Berthing and/or messing shipboard personnel.
- (3) Minimal messing facilities as a contractual requirement.
- (4) Family Separation allowance, U.S. Coast Guard Pay Manual, Commandant Instruction M7220.29, Chapter 3-F.
- (5) Transportation during repairs away from homeport (Joint Federal Travel Regulations, Chapter 5, Part C, paragraph U5222 and Chapter 7, Part F, paragraph U7115).

(6) Costs related to moving vessels. Operating costs shall be included in all solicitations where work will not be accomplished at the vessel's home pier. For vessels 65' in length or greater with a dedicated crew, use the standard rates posted at the following Commandant (G-CFP) link:
<http://cgweb.comdt.uscg.mil/g-cfp/finance/sr/costtable.doc>
For those vessels which no rate is provided, the contracting officer must develop a rate for movement of the vessel which

includes at a minimum the cost of fuel. Personnel crew cost is excluded. Documentation in the evaluation of foreseeable cost shall reference each different geographical area (city and state) in which solicited contractors are located, rather than citing the individual contractors themselves. Documentation shall also identify how foreseeable costs are developed. For example, tables or indices from which costs are extracted shall be referenced. Mileage shall be calculated in accordance with MLCv SOPs which have been approved by the Senior Competition Advocate(G-CFP). Any deviation from approved SOPs shall be approved by Commandant (G-CFP), in advance of any solicitation being issued.

(b) Contracting officers shall include the following provisions under Sections K and M, respectively, in certain commercial vessel repair solicitations:

LOCATION OF OFFEROR'S COMMERCIAL SHIPYARD

In order for the contracting officer to evaluate certain foreseeable costs to the Coast Guard that will vary with the location of the commercial shipyard to be used by the offeror as further defined in Section M, Evaluation Factors for Award, the offeror is required to provide in the space below the exact location of the shipyard to be used to perform the services required under this solicitation.

The offeror is cautioned that its failure to provide the location of its commercial shipyard in the space provided above may result in its bid being declared nonresponsive under the provisions of an Invitation for Bids or its proposal being declared deficient under the terms of a Request for Proposal.

(end of provision)

FORESEEABLE COST FACTORS PERTAINING TO DIFFERENT SHIPYARD LOCATIONS

In addition to other evaluation factors for award that may be listed in this solicitation, the contracting officer will evaluate certain foreseeable costs to the Coast Guard that will vary with the location of the commercial shipyard to be used by offerors. Costs will be calculated based on the offeror's shipyard location and these costs will be added, for the purposes of evaluation only, to the offeror's overall bid price or price proposal. These elements of foreseeable costs consist of the following: (contracting officer shall list those applicable foreseeable cost elements as detailed under CGAP 1214.201-890, in addition to any others that may apply to the acquisition).

(end of provision)

CGAP CHAPTER 1215 CONTRACTING BY NEGOTIATION

CGAP SUBCHAPTER 1215.2 SOLICITATION AND RECEIPT OF PROPOSALS AND INFORMATION

CGAP SUBCHAPTER 1215.201-90 Exchange with industry before receipt of proposals.

Any changes to a solicitation (including the specifications) resulting from a preproposal conference must be specifically addressed in an amendment to the solicitation. While all prospective offerors should receive a copy of the minutes of the preproposal conference, the minutes shall not be used as a means of amending the solicitation.

CGAP SUBCHAPTER 1215.204 Contract Format.

(e) The authority to exempt any contract document not already exempted by category in FAR 15.204 (a through d) from the requirement to follow the uniform contract format is delegated to the COCO Level 2.

CGAP SUBCHAPTER 1215.3 SOURCE SELECTION

CGAP SUBCHAPTER 1215.303-90 Responsibilities.

(a) The matrix below indicates Source Selection Authority (SSA) and Procedures for the following acquisition values:

Value	SSA	Procedures
Greater than \$50 million	HCA*	Source selection procedures <u>are required</u> in accordance with CGAP Enclosure (18).
Less than or equal to \$50 million	Contracting Officer	CGAP Enclosure (22) is provided as a guide for source selection procedures, unless the acquisition is designated as a "major system acquisition project". Then, CGAP Enclosure (18) must be followed.

*Cannot be delegated below Flag/SES level. Because delegations require Commandant (G-C) approval, contact Commandant (G-CPM) to coordinate delegation requests, which must be submitted via Commandant (G-CPM).

CGAP SUBCHAPTER 1215.303-91 Routing for headquarters acquisitions.

(a) The contracting officer shall prepare the Selection Plan (SP) in coordination with the project manager and other cognizant technical representatives. When the HCA is the SSA, the contracting officer shall route the SP through the following offices for concurrent clearance prior to being forwarded to the Source Selection Authority (SSA): Commandant (G-LPL), the cognizant sponsoring and/or technical office, the project manager, Commandant (G-ACS), and Commandant (G-CPM). The SP shall be transmitted by memorandum from Commandant (G-A), to the SSA.

(b) Upon approval of the SP by the SSA, all subsequent transmittals relating to the source selection that are sent to the SSA for approval shall be approved by the Source Evaluation Board (SEB) and transmitted by memorandum from the Chairperson of the SEB, to the SSA. When a Competitive Acquisition Management Panel (CAMP), or other boards or panels have been established for the acquisition, all subsequent transmittals shall be sent from the Chairperson of the SEB, to the SSA with copies to all panel or board members.

(c) When it is necessary to route source selection documents for concurrent clearance, signatures, etc., the cognizant contracting officer shall place the document in a sealed envelope stamped "Source Selection Information - See FAR 3.104". The envelope shall cite the name and telephone number of the contracting officer or other point of contact for return of the document after routing to SEB members, other board or panel members, and the SSA as necessary. All such documents shall be handcarried directly to the panel or board members and the SSA. Source selection sensitive information shall not be forwarded through staff members.

(d) When the HCA has delegated the SSA function, routing procedures may be modified as necessary as long as these procedures are designed to safeguard source selection sensitive information to the same extent as indicated above.

CGAP SUBCHAPTER 1215.303-92 Routing for field acquisitions.

(a) The initial document (Selection Plan (SP)) shall be prepared by the contracting officer in coordination with the cognizant technical representative or program manager and the field legal office. When the HCA is the SSA, the plan shall be transmitted by letter from the COCO Level 2 to the SSA, via Commandant (G-CPM), for concurrent clearance.

(b) Upon approval of the SP by the SSA, all subsequent transmittals relating to the source selection that are sent to the SSA for information and/or approval shall be approved by the SEB, and transmitted by memorandum from the Chairperson to the SSA via Commandant (G-CPM). The document shall be securely wrapped, addressed and mailed to Commandant (G-CPM) marked for the attention of the SEB representative in Commandant (G-CPM).

(c) For field acquisitions, the SEB representative in Commandant (G-CPM) has responsibility for document routing and handling after receipt of the document. This shall be done as much as possible in accordance with the procedures for headquarters acquisitions as indicated in CGAP 1215.303-91(c).

(d) When the HCA has delegated the SSA function, routing procedures may be modified as necessary as long as these procedures are designed to safeguard source selection sensitive information to the extent indicated above

CGAP SUBCHAPTER 1215.304 Evaluation factors and significant subfactors.

(e) Numerical weights (cost/technical/management, etc.) if used in the evaluation of proposals shall not be disclosed in the solicitation.

CGAP SUBCHAPTER 1215.305-90 Source Selection and Proposal Evaluation of Commercial Items.

When contracting for commercial items under FAR Part 12 in conjunction with FAR Part 15, the contracting officer shall implement applicable policies and procedures of CGAP Chapter 1215 modified as necessary based on the complexities and value of the procurement. At a minimum, contracting officers shall document the basis for:

Proposal Analysis Techniques (CGAP 1215.404-1(a)(4));
Profit (CGAP 1215.404-4(b));
Prenegotiation Objectives (CGAP 1215.406-170); and
Documenting the Negotiation and the contracting officer's determination of price reasonableness (CGAP 1215.406-370)

CGAP SUBCHAPTER 1215.306-90 Exchanges with offerors after receipt of proposals.

All exchanges with offerors after receiving proposals shall be approved or conducted by the contracting officer.

CGAP SUBCHAPTER 1215.4 CONTRACT PRICING

CGAP SUBCHAPTER 1215.403 Obtaining cost or pricing data.

CGAP SUBCHAPTER 1215.403-1 Prohibition on obtaining cost or pricing data.

(c)(4) When requesting HCA waiver in accordance with this subsection and FAR 1215.403-1, the request shall be signed by the COCO Level 2 and routed via Commandant (G-CPM-2).

CGAP SUBCHAPTER 1215.403-4 Requiring cost or pricing data.

In making the determination as to the applicability of requiring certified cost or pricing data, the contracting officer shall take into account the estimated amount for any option items when establishing the total estimated amount of the action.

CGAP SUBCHAPTER 1215.403-570 Instructions for submission of cost or pricing data or information other than cost or pricing data.

When an offeror refuses to provide needed data or to take corrective action, the matter shall be referred to the COCO Level 2.

CGAP SUBCHAPTER 1215.404 Proposal Analysis.

CGAP SUBCHAPTER 1215.404-2 Information to support proposal analysis.

CGAP SUBCHAPTER 1215.404-290 Requesting and handling audits or other field pricing reports.

(a) Procedures for requesting and handling audits or other field pricing reports can be found at CGAP Subchapter 1242.101

CGAP SUBCHAPTER 1215.404-4 Profit.

(a) When cost analysis is required to determine the cost realism and reasonableness for awards and modifications (including modifications to contracts awarded by sealed bidding) valued over

\$2,500 up to \$100,000, contracting officers shall document the basis for determining profit or fee objectives. For such actions valued over \$100,000 where cost analysis is required to determine cost realism and reasonableness, the structured approach prescribed by TAM 1215.404-4(b) shall be used to determine the profit or fee objective.

CGAP SUBCHAPTER 1215.406 Documentation.

CGAP SUBCHAPTER 1215.406-170 Prenegotiation objectives.

(a) For acquisitions valued over \$100,000, the Prenegotiation Memorandum format in Enclosure (19) shall be used. For acquisitions valued at or below \$100,000, local standardized procedures for documenting prenegotiation objectives shall be developed which meet the criteria at FAR 15.406-1; the Pre/Price Negotiation Memorandum at Enclosure (21) may be used for these acquisitions. For acquisitions using Structured Source Selection Procedures in Enclosure (18), the Competitive Range Recommendation Report may serve as the Prenegotiation Memorandum, provided it contains all the key elements of Enclosure (19).

(b) Consistent with TAM 1204.7003, actions valued over \$500,000 shall be reviewed and approved by an individual at least one level above the contracting officer responsible for the acquisition; for actions at or below \$500,000, the contracting officer is the approving official.

CGAP SUBCHAPTER 1215.406-370 Documenting the negotiation.

(a) For acquisitions valued over \$100,000, the Price Negotiation Memorandum format at Enclosure (20) shall be used. For acquisitions valued at or below \$100,000, local standardized procedures for documenting the negotiations and fair and reasonable pricing shall be developed which meet the criteria at FAR 15.406-3; the Pre/Price Negotiation Memorandum at Enclosure (21) may be used for these acquisitions. For acquisitions using Structured Source Selection Procedures in Enclosure (18), the Final SEB Report may serve as the Price Negotiation Memorandum, provided it contains all the key elements of Enclosure (20).

(b) Consistent with TAM 1204.7003, actions valued over \$500,000 shall be reviewed and approved by an individual at least one level above the contracting officer responsible for the acquisition; for actions at or below \$500,000, the contracting officer is the approving official.

CGAP SUBCHAPTER 1215.6 UNSOLICITED PROPOSALS

CGAP SUBCHAPTER 1215.606 Agency procedures.

CGAP SUBCHAPTER 1215.606-190 Receipt and initial review.

Upon receipt of an unsolicited proposal, the contracting activity shall review it for compliance with FAR 15.603(b). This review shall be accomplished within 10 working days after receipt of an unsolicited proposal. If it is not found to be a true unsolicited proposal after this cursory review, it shall be returned immediately to the offeror with a letter explaining why it is not being accepted as an unsolicited proposal.

If the proposal does comply with FAR 15.603(b), it shall be forwarded within 3 working days to the central office with a cover letter indicating the unsolicited proposal requires further initial review. Concurrent with this action, the contracting activity shall acknowledge, in writing, receipt of the proposal to the proposer and indicate proposal evaluation is expected to be completed within the next sixty days. A copy of the letter to the proposer shall be included with the proposal sent to the central office. The central office for unsolicited proposals received by Headquarters and Project Resident Offices is Commandant (G-ACS). The central office for all other units is Commandant (G-CPM). Unsolicited proposals shall not be reproduced, disseminated, or the contents disclosed without the approval of the appropriate central office. The central office will conduct an initial review to determine if the unsolicited proposal contains sufficient basic, technical, and supporting information as stated in FAR 15.605. If the proposal does not contain sufficient information for a meaningful evaluation, Commandant (G-ACS) or Commandant (G-CPM) will return it to the submitter, explaining the circumstances.

CGAP SUBCHAPTER 1215.606-290 Evaluation.

(a) After a positive initial review, the central office stipulated in CGAP 1215.606-190 will forward an unsolicited proposal to the appropriate office(s) for technical review. Prior to forwarding the unsolicited proposal, the central office shall place a cover sheet on the proposal which contains the notice in FAR 15.609(d).

(b) The technical review must be made within the allotted time frame, indicated by the central office (normally 30 calendar days). Extensions are granted only under unusual circumstances. The technical office receiving an unsolicited proposal is responsible for evaluating or coordinating the evaluation of a proposal in accordance with FAR 15.606-2 and then reporting its findings to the central office which requested the evaluation. It is also responsible for safeguarding any proprietary information in the proposal during the evaluation process. Upon completion of its evaluation, the evaluation office must provide the requesting central office with a report containing (1) the technical merit of the proposal, (2) the availability of funds, (3) the need for the proposed goods or services, and (4) certified data to support a recommendation for other than full and open competition pursuant to FAR 15.607(b).

(c) During the evaluation of an unsolicited proposal, the technical evaluator shall not hold discussions with the originator of the proposal. If additional data is required from the proposer in order to permit a comprehensive evaluation, or if it is felt that another office is better suited to perform the evaluation, Commandant (G-ACS) or Commandant (G-CPM) will serve as the point of contact between the originator and the technical office(s).

(d) If a favorable technical evaluation is received, and the requirements of FAR 15.607 have been met, Commandant (G-ACS) or Commandant (G-CPM) shall forward all documents, correspondence, and the proposal to the applicable contracting officer to commence negotiations.

CGAP CHAPTER 1217 SPECIAL CONTRACTING METHODS

CGAP SUBCHAPTER 1217.1 MULTI-YEAR CONTRACTING

CGAP SUBCHAPTER 1217.105 Policy

CGAP SUBCHAPTER 1217.105-1 Uses

(b) Multi-year contracts are subject to the written approval of the HCA. HCA approval must be obtained prior to issuing a solicitation leading to an award of a multi-year contract. Each approval request must address paragraphs (1) through (5) at FAR 17.105-1(b). Also, approval requests shall be signed by the COCO and submitted to Commandant (G-CPM) which in turn will coordinate HCA approval. Any request proposing to NOT fund multi-year cancellation ceilings will be subject to rigorous justification.

CGAP SUBCHAPTER 1217.4 LEADER COMPANY CONTRACTING

Requests for written authorization from the Senior Procurement Executive (SPE) to use leader company contracting shall be submitted via Commandant (G-CPM).

CGAP SUBCHAPTER 1217.5 INTERAGENCY ACQUISITIONS UNDER THE ECONOMY ACT

CGAP SUBCHAPTER 1217.501 Definition.

Contracting Officer. "Contracting officer" as used in this subchapter, means a Coast Guard warranted contracting officer.

Interagency Agreement, MOU or MOA. If the legal instrument to be used does not involve the exchange of funds or property at the time it is signed, but will ultimately involve such exchange during its effective period, then the instrument must be signed by a contracting officer. Likewise, in situations where a contingent liability exists, such as damage to bailed property, the instrument must be signed by a contracting officer. The contracting officer signing the instrument shall have the signature authority which meets or exceeds the estimate/dollar amount of the legal instrument involved. The following transactions are not subject to FAR and do not require approval/signature of a warranted contracting officer: leases, utility payments under host/tenant agreements, host/tenant agreements or other related support agreements, any real estate transaction effected under the Federal Property Management Regulations or the Uniform Relocation Assistance and Real Property Acquisition Regulations.

CGAP SUBCHAPTER 1217.502 General.

(c) Commandant Instruction 5224.3, Performance of Commercial Activities, contains Coast Guard guidance with respect to OMB Circular A-76 and using Interservice Support Agreements.

CGAP SUBCHAPTER 1217.504-90 Ordering procedures.

(a) When using MIPRS, the contracting officer shall use the guidance set forth under enclosure (12), Military Interdepartmental Purchase Requests (MIPRS), to place orders for supplies and nonpersonal services with a military department or other Federal agency where use of a MIPR is acceptable.

(b) Contracting officers should note that procedures discussed in this subchapter and enclosure (12) allow servicing agencies to either pay costs from their own funds (subject to reimbursement via an interagency billing process) or to arrange for its contractors to bill the Coast Guard directly. The reimbursement method is generally known as a Category I MIPR and the direct fund citation method is identified as Category II (for a fuller explanation see enclosure (12), pages 4 and 5). Both contracting and technical personnel should be aware that DOD billing delays can be quite lengthy and initial DOD billing may lack specific information needed to properly charge costs to the correct appropriation, allotment fund control codes (AFCs), or projects. Category I MIPRS, therefore, are the least advantageous from a funds management perspective and may cause considerable difficulty for the technical or project office. Category I MIPR's should be carefully considered for projects using AC&I funds, AFC 41,42,43, or 45, or which involve service delivery over more than a single fiscal year. Where the servicing agency will not accept a Category II MIPR, explicit instructions concerning billing information shall be included on the MIPR form (block (a)) or in an attached statement of work.

CGAP SUBCHAPTER 1217.504-91 Applicability.

The guidance is applicable to MIPRS of any value when the servicing agency proposes to procure their supplies or nonpersonal services from a contractor. The contracting officer shall adhere to this guidance, where applicable, when the supplies will be furnished from the servicing agency's supply or stock system or when the nonpersonal services will be rendered by the servicing agency's personnel/resources; however, at any event, the determination to issue the MIPR, as required by CGAP Subchapter 1217.503, must be written and placed in the official MIPR file.

CGAP SUBCHAPTER 1217.570 Signature authority.

Contracting officers shall have the signature authority which meets or exceeds the estimate/dollar amount of the interagency agreement.

**CGAP SUBCHAPTER 1217.90 Acquisition of Products/Services
with Special Coast Guard Contracting
Considerations.**

CGAP SUBCHAPTER 1217.9000 Scope of Subpart.

Special contract considerations are enumerated in the following paragraphs to detail requirements for Coast Guard-unique requirements.

CGAP SUBCHAPTER 1217.9001 Acquisition of livestock products.

(a) General. Public Law 85-765, as amended, commonly known as the Humane Slaughter Act of 1958 (7 U.S.C. 1901-1902, 1904-1906), provides certain restrictions on the procurement of livestock products by Federal agencies and instrumentalities. The Act states the policy of the United States to be that the slaughtering of livestock, and the handling of livestock in connection with slaughter, shall be carried out only by humane methods. In essence, the Act prohibits the purchase by the Federal Government of livestock products produced or processed by any slaughter or processor which in any of its plants (or in the plants of an affiliated slaughter or processor) slaughters, or handles in connection with slaughter, livestock by any method other than humane.

(b) Definition of livestock products. "Livestock products" means any article of food, or any article intended for or capable of being used as food, for either humans or animals, which is derived or prepared, in whole or in part, from slaughtered cattle, calves, horses, mules, sheep, swine, or goats. Livestock products do not include (a) supplies, the animal product portion of which is less than 5 percent by weight of the net unit weight, and (b) poultry.

(c) Exception. The requirements of this section do not apply to contracts for livestock products, executed and to be performed outside the United States, its possessions, and Puerto Rico.

CGAP SUBCHAPTER 1217.91 Coast Guard Procedures for Special Contracting Requirements.

CGAP SUBCHAPTER 1217.9100 Contracting for Quarters.

Guidelines for rates for contract quarters are contained in Appendix B of the Joint Travel Regulation for temporary duty outside the continental United States. Appendix D of the Joint Travel Regulation contains the rates for temporary duty within the continental United States. These rates are subject to change monthly so every effort should be made to obtain the most recent information possible.

CGAP SUBCHAPTER 1217.9101 Contracting for Subsistence Services.

When Government dining facilities are unavailable (temporarily suspended), contracting officers are authorized to contract for subsistence services to include both facilities and meal catering. Guidelines on authorization for subsistence support of Coast Guard Dining Facilities (CGDFs) and Private Messes Afloat (PMA) are in COMDTINST M4061.3 (Series), Subsistence Manual.

CGAP SUBCHAPTER 1217.9102 Contracting for Meals and Refreshments.

Approval of the COCO Level 2 shall be obtained when expected amounts for contracted meals exceeds 150% of the fixed daily allowance provided in the Federal Travel Regulations (FTR) and Joint Federal Travel Regulation (JFTR).

CGAP SUBCHAPTER 1217.92 Contracting for Containment and Clean-up of Oil and Hazardous Substances Spills.

CGAP SUBCHAPTER 1217.9200 Scope of subpart.

The Coast Guard responsibilities for the removal of oil and hazardous substances in waterways and adjoining shorelines are specified in the National Contingency Plan, 40 CFR 300, the Federal Water Pollution Control Act of 1971, as amended, the Comprehensive Environmental Response Cleanup and Liability Act (CERCLA) of 1980, as amended, and the Oil Pollution Act (OPA) of 1990.

CGAP SUBCHAPTER 1217.9201 General.

In order to expedite the processing of contracts for containment and clean-up of oil and hazardous substance spills, the preferred Coast Guard method of contracting is through the placement of orders against Basic Ordering Agreements (BOAs) as defined in FAR 16.703, using a time and materials pricing arrangement; however, other methods of contracting can be used when appropriate.

CGAP SUBCHAPTER 1217.9202 Reserved.

CGAP SUBCHAPTER 1217.9203 Competition.

(a) The nature of contracting for containment and clean-up of oil and hazardous substances makes full and open competition impossible; however, competition shall be obtained to the maximum extent possible as governed by the response time needed in any given emergency. These conditions are documented by Commandant (G-CPM) in a Class Justification for Other Than Full and Open Competition which Coast Guard contracting officers can use for all contracts and orders for oil and hazardous substance clean-up services.

(b) Market Survey. MLC contracting officers shall conduct market surveys for additional sources every three years, using Commerce Business Daily synopses and other appropriate techniques. Any sources expressing an interest in a BOA in the interim shall be provided a solicitation.

(c) Service Contract Act wage determinations. MLC contracting officers shall request wage determinations on an annual basis, or as required, from the Department of Labor (DOL). If possible, the DOL should be requested to make the wage determinations applicable to all contracts for oil and hazardous substance containment and cleanup services in the same geographic areas.

(d) Competition Documentation for each Incident. Orders against BOAs shall not be awarded on a rotational basis among qualified contractors without pricing considerations. Orders shall be awarded to the contractor who offers the lowest price for those response times determined adequate considering the circumstances involved. Contracting officers (includes OSCs) shall document the following information which shall be included in each order file:

(1) The action(s) taken to obtain competition or the reasons(s) why competition was not feasible.

(2) The name(s) and point(s) of contact for the contractor(s) contacted.

(3) The rationale for awarding an order to the successful offeror.

(4) A written determination that the Service Contract Act applies if the incident is for services and exceeds \$2,500. If the incident requires construction that exceeds \$2,000, the OSC shall contact the MLC contracting officer to determine whether the Davis Bacon Act has been incorporated into the BOA. If the Davis Bacon Act has been incorporated into the BOA, provide a written determination that the Davis Bacon Act applies. If the Davis Bacon act has not been incorporated into the BOA, and the incident requires construction that exceeds \$2,000, the MLC contracting officer must contract for the required construction.

CGAP SUBCHAPTER 1217.9204 Authorization to proceed.

(a) Coast Guard OSCs shall issue a written Authorization to Proceed (ATP) when it becomes necessary to authorize a contractor to commence performance of oil or hazardous substance clean-up services against existing BOAs. ATPs shall not exceed \$25,000 per incident. During the initial stages of an incident, OSCs may verbally authorize a contractor to commence performance, provided an ATP is issued within 24 hours confirming the verbal authorization. As a minimum, the ATP shall include reference to: (1) the Federal Project Number; (2) the BOA number; (3) maximum dollar value of the commitment; (4) cognizant MLC point of contact; (5) accounting office address; (6) contractor's name, address, point of contact, and signature; and (7) name and signature of the OSC.

(b) The Coast Guard OSC shall notify the MLC(fcp) by message and/or forward a copy of the ATP by overnight mail or FAX within 24 hours after issuance of the ATP.

(c) The Coast Guard OSC shall prepare all competition documentation required by CGAP Subchapter 1217.9203 and provide it, along with a copy of the ATP, to the MLC(fcp) within 3 days after issuance of the ATP.

(d) This subchapter is not mandatory for Coast Guard OSCs in the MLCPAC area when the incident is \$50,000 or less. When the incident is within this threshold, the Coast Guard OSC shall prepare and distribute the order. The Coast Guard OSC shall forward a copy of the order and the supporting competition documentation required by CGAP Subchapter 1217.9203 to MLCPAC(fcp) within 3 days of the incident.

(e) This subchapter is also not mandatory for Coast Guard OSCs in the MLCLANT area if all of the following conditions apply: the COCO of MLCLANT (fcp) authorizes the applicable OSC to prepare and distribute the BOA order; the incident is \$50,000 or less; and the OSC forwards a copy of the BOA order and the supporting competition documentation required by CGAP Subchapter 1217.9203 to MLCLANT (fcp) within 3 days of the incident.

CGAP SUBCHAPTER 1217.9205 Issuing orders against BOAs.

The MLC(fcp) shall review the ATP issued by the OSC and issue the confirming BOA order, except see CGAP Subchapter 1217.9204(d) and (e) above. The MLC (fcp) shall distribute the order to the Coast Guard Finance Center within 7 working days of an incident for the purpose of documenting and recording the obligation of funds. All invoices will be paid by the Coast Guard Finance Center.

CGAP SUBCHAPTER 1217.9206 BOA order number.

The BOA order number (delivery or task) consists of the BOA contract number plus the individual order number. The individual order number shall be consistent with the procedure set forth at CGAP Subchapter 1204.602-90(c)(6)(iv). If additional identification is needed, i.e, FPN, MSO port code, number of orders per incident, the identification shall be placed on the order in such a location as to separate it from the order number.

CGAP SUBCHAPTER 1217.9207 BOA order, file documentation, and file maintenance.

Issuance of the BOA order, file documentation, and file maintenance is the responsibility of the MLC(fcp), except see CGAP Subchapter 1217.9204(d) and (e) above. The following minimum file documentation must be maintained for each order issued against a BOA: (1) a copy of the message sent by District (m) that assigns the FPN and fund ceiling (this normally includes evidence of funds availability); (2) a record of the sources contacted or, if only one source was contacted, the reasons why competition was not feasible and why the particular contractor was selected (this record should include dates, names of individuals, companies, and factors influencing choice); (3) a copy of the ATP issued by the OSC and all competition documentation required by CGAP Subchapter 1217.9203; (4) a copy of the order issued on a OF-347; (5) modifications, if any, to the order issued on an SF-30; and (6) copies of invoices certified by the OSC together with supporting documentation.

**CGAP SUBCHAPTER 1217.9208 Non-BOA purchases of
supplies/services.**

When supplies or services are required that are not covered under an existing BOA, the requirement shall be referred to the MLC contracting officer.

(a) Contracting Authority (Other than OSC). If the MLC(fcp) contracting officer agrees, a field contracting activity may elect to issue purchase orders for non-BOA supplies or services if the requirement is within, and is not likely to exceed at some future date, the field activities' contracting authority.

(b) OSC Contracting Authority. If the MLC(fcp) contracting officer cannot be contacted in a timely manner, Coast Guard OSCs are authorized to issue purchase orders for non-BOA supplies or services, on an emergency basis only, not to exceed \$25,000 per incident. The OSC must contact the MLC(fcp) by message and/or forward a copy of the purchase order and competition documentation required by CGAP Subchapter 1217.9203 by overnight mail or FAX within 24 hours after exercising this authority. If a message is used to notify the MLC(fcp), all information contained in the purchase order and the competition documentation must be summarized in the message. The OSC, in his/her contracting officer capacity, is required to advise the contractor, when any purchase order for services exceeding \$2,500 is issued, that the Service Contract Act of 1965, as amended, is applicable.

CGAP SUBCHAPTER 1217.9209 Disposal of salvageable products.

OSCs shall keep an accurate record of the quantity of recovered product suitable for reclamation or sale. The General Services Administration has declined to take custody of any recovered oil since they do not have appropriate storage facilities. The contracting officer may initiate action for sale of the recovered oil, with the proceeds being applied as a credit to the clean-up costs.

CGAP SUBCHAPTER 1219.705-6 Postaward responsibilities of the contracting officer.

Upon award, the contracting officer shall send two copies of the final approved subcontracting plan that was incorporated into the contract clearly annotated with resultant contract number to Commandant(G-CPM/S-1). One copy will be forwarded to Director, OSDBU.

CGAP SUBCHAPTER 1219.8 CONTRACTING WITH THE SMALL BUSINESS ADMINISTRATION (THE 8(a) PROGRAM)

CGAP SUBCHAPTER 1219.803 Selecting acquisitions for the 8(a) Program.

Only general information regarding upcoming requirements may be released to 8(a) firms. Technical offices, contracting personnel, and SBS or designees shall not review or accept Statements of Work prepared by 8(a) firms, nor shall they give detailed information about their planned actions/requirements. Per 13 CFR 124-308(g), this includes the release of the draft SOWs and SOWs to any 8(a) firm prior to receiving an acceptance letter from the Small Business Administration. Exception: Sole source 8(a) requirements processed in accordance with FAR Part 13 under the DOT/SBA Memorandum of Understanding.

CGAP SUBCHAPTER 1219.804 Evaluation, offering, and acceptance.

CGAP SUBCHAPTER 1219.804-4 Repetitive acquisitions.

For any requirement which was previously procured through the 8(a) program, but which is now being proposed for reprocurement outside of the program, a written determination must be submitted to Commandant (G-CPM-S/1) for processing and approval to the Department of Transportation's Office of Small and Disadvantaged Business Utilization (OSDBU). The determination should address all pertinent facts related to the acquisition, including the incumbent 8(a) firm's name, impact on the 8(a) firm's business, and whether SBA has been advised of the contracting officer's determination. This clearance and approval must be obtained prior to proceeding with any public notice or solicitation effort. Procurement milestones should contain this review and processing time. Commandant (G-CPM-S/1) shall review and forward the determination to the OSDBU within 5 working days of receipt of an acceptable submission. OSDBU approval is not required for actions governed by statute, such as NIB/NISH awards (41 CFR Chapter 51) or the Randolph-Sheppard Act (20 USC 107-107e). However, contracting offices with any such action shall

provide Commandant (G-CPM) notification 30 days prior to contract award.

CGAP SUBCHAPTER 1219.810 SBA appeals.

The authority under FAR 19.810(a), (b), and (c) is retained by the Head of the Contracting Activity.

CGAP SUBCHAPTER 1219.812 Contract administration.

(d) If the contracting officer determines that the Small Business Administration (SBA) does not intend to waive the termination requirement, and termination of the contract would severely impair attainment of the agency's program objective or mission, and the contracting officer submits a waiver request to SBA, a copy of such waiver must be sent simultaneously to the HCA. The HCA retains the authority under FAR 19.812(d) for confirmation or withdrawal of the request for waiver.

**CGAP SUBCHAPTER 1219.891 Superfund Minority Contractors
Utilization Report.**

(a) Section 105(f), (Public Law 99-499) of the Comprehensive Environmental Response Cleanup and Liability Act, as amended, requires any Federal agency awarding contracts utilizing Superfund monies (1) to consider the availability of qualified minority contractors for such awards, and (2) to annually report minority contractor participation and the efforts taken to encourage the use of minority firms. This includes, but is not limited to, contracts, subcontracts, Small Business Administration 8(a) Program initiatives, and subagreements.

(b) The Coast Guard, as a recipient of Superfund monies from the Environmental Protection Agency (EPA), must report annually by 15 November on EPA Form 6005-3, Superfund Minority Contractors Utilization Report and EPA Form 6005-3A, Superfund Minority Contractors Utilization Report-Part 2 (see CGAP Part 1253). RCN-4200-13 applies. Negative reports are required.

(c) The Maintenance and Logistics Commands (fcp) shall report expenditure of any Superfund monies for minority contractors to the National Pollution Funds Center (NPFC) using the EPA Forms specified in paragraph (b). These reports shall be submitted to the NPFC annually by 30 October. Negative reports are required.

(d) Commandant (G-CPM-S/1) will forward to the NPFC, on an annual basis (30 October), a list of outreach efforts such as, small and disadvantaged business conferences, for use in completion of EPA form 6005-3A.

(e) The NPFC shall submit the consolidated Coast Guard report by 15 November using the EPA Forms specified in paragraph (b) to:

Director, Office of Small and Disadvantaged Business
Utilization
Office of Small and Disadvantaged Business (A-149C)
U.S. Environmental Protection Agency
401 M Street, S.W.
Washington, DC 20460
Attn: Procurement Under Assistance Program

(f) At the same time the report is forwarded to EPA, the NPFC shall forward a copy of the report to Commandant (G-CPM-S/1).

**CGAP CHAPTER 1223 ENVIRONMENT, CONSERVATION, OCCUPATIONAL
SAFETY, AND DRUG-FREE WORKPLACE**

CGAP SUBCHAPTER 1223.4 USE OF RECOVERED MATERIALS

CGAP SUBCHAPTER 1223.402 Authorities.

(e) The Environmental Management Division (G-SEC-3), within the Systems Engineering Directorate, is the Pollution Prevention and Recycling Program Manager.

CGAP SUBCHAPTER 1223.403 Policy.

Program officials and contracting officers shall comply with the Department of Transportation's Affirmative Procurement Program (APP).

CGAP SUBCHAPTER 1223.405 Procedures.

(a) These procedures apply to all Coast Guard acquisitions, including micro-purchases.

(b) Contracting activities shall report all purchases of items covered under the DOT Affirmative Procurement Program (APP), regardless of the dollar amount, to the Chief of the Contracting Office via the format provided in Enclosure (16). Each Chief of the Contracting Office will consolidate the responses and forward the report to Commandant (G-CPM) by 15 November of each year. Commandant (G-CPM) will consolidate the responses and transmit the information to DOT.

**CGAP SUBCHAPTER 1223.7 CONTRACTING FOR ENVIRONMENTALLY
PREFERABLE AND ENERGY-EFFICIENT PRODUCTS
AND SERVICES**

Contracting officers are strongly encouraged to acquire biobased products.

CGAP CHAPTER 1225 FOREIGN ACQUISITION

CGAP SUBCHAPTER 1225.1 BUY AMERICAN ACT - SUPPLIES

CGAP SUBCHAPTER 1225.103 Exceptions.

(b)(2)(ii) A copy of the determination required under FAR 25.103(2)(i) and supporting documentation must be submitted to the SPE via Commandant (G-CPM).

CGAP SUBCHAPTER 1225.104 Nonavailability articles.

(b) The documentation required under FAR 25.104(b) must be submitted to the SPE via Commandant (G-CPM).

CGAP SUBCHAPTER 1225.105 Determining reasonableness of cost.

(a)(1) Determinations must be sent to the SPE via Commandant (G-CPM) for publications in the TAR.

CGAP SUBCHAPTER 1225.10 ADDITIONAL FOREIGN ACQUISITION REGULATIONS

CGAP SUBCHAPTER 1225.1001 Waiver of right to examination of records.

(a)(2)(iii) The contracting officer shall forward to the HCA via Commandant (G-CPM) the documentation required by FAR 25.1001(b).

CGAP SUBCHAPTER 1225.11 SOLICITATION PROVISIONS AND CONTRACT CLAUSES

CGAP SUBCHAPTER 1225.1101 Acquisition of supplies.

(e) Before inserting the clause at FAR 52.225-8, Duty-Free Entry, which requires a list of supplies in the contract schedule to be accorded duty-free entry, the contracting officer shall review the circumstances with legal counsel to ascertain whether the supplies may qualify for duty-free entry.

CGAP SUBCHAPTER 1232.7 CONTRACT FUNDING

CGAP SUBCHAPTER 1232.70 CONTRACT PAYMENTS

CGAP SUBCHAPTER 1232.702 Policy.

CGAP SUBCHAPTER 1232.702-70 Procurement requests.

(a)(1)(i) The funds manager, allotment fund control (AFC) manager, or the appropriation manager (funds certification official) is the responsible fiscal authority for funds certification. Commands will designate funds certification personnel in writing. Contracting officers shall ensure that funds certifications are made by authorized individuals.

(ii) The contracting officer shall accept certified funds submitted by electronic transmission. When certified funds are transmitted by an acceptable and secure electronic means and have been digitally signed, the funds certification official is not required to forward an original signature funds certification to the contracting officer.

(iii) When funds certification is made "subject to the availability of funds," the contracting officer shall obtain a change to the procurement request which provides funds certification when funds become available. The contracting officer shall also obtain a new procurement request which provides funds certification whenever a change is made to the accounting or appropriation data.

(iv) Funds certification shall be accomplished by complete signature (not initials), title, date, and office symbol, except see subparagraph (a)(1)(ii) above, in the appropriate spaces of Block 5 on Form DOT F 4200.1.1, DOT F 4200.1.2, or DOT F 4200.1.2CG.

(4) Procurement requests for equipment or systems requiring spare parts, either in the initial solicitation or subsequent buys, shall not be processed without optional provisions for acquiring reprourement data to perform follow-on competitive acquisitions. This requirement does not apply to simplified acquisitions, purchases under Federal Supply Schedules, and purchases for which spare parts are available competitively in the open market.

(b) The procurement professional should review each formally-submitted procurement request package to ensure that it includes all required items. The procurement professional should immediately seek legal counsel advice whenever doubt exists as to the proper type of funds, or questions arise concerning the applicable funding year.

CGAP SUBCHAPTER 1232.703-90 Antecedent liabilities.

(a) Severable service contracts moved off a fiscal year basis should normally be those where the obligation can be solidly estimated and the stream of services is not subject to frequent within scope modifications, such as security contracts or janitorial contracts. (Dining Facility contracts based on the number of meals served or Base Support contracts with variable costs should normally be kept on a fiscal years basis). The contracting officer should give special consideration to DOL increases in wage determinations or similar situations. The contracting officer should identify such situations to the funds manager and recommend that funds be committed or left unobligated at year end if any subsequent contract modification to increase funds will be within the scope of the contract and will occur after the fiscal year has closed.

(b) If a within scope modification is required after the fiscal year in which the contract is funded has closed, the contracting officer needs to ensure that the funds manager certifies that funds are available for the expired fiscal year, not the current fiscal year. Additionally, the contracting officer should be aware that the Financial Resource Management Manual has a very specific procedure for approval of antecedent liabilities. (Chapter 5, Section V, Page 5-63). In general the unit will not be authorized to certify that expired funds are available, even if the unit has an available funds balance for the prior fiscal year. The unit will have to seek that certification from the ATU Budget Officer (District or MLC) or Headquarters funds manager.

CGAP CHAPTER 1233 PROTESTS, DISPUTES, AND APPEALS

CGAP SUBCHAPTER 1233.1 PROTESTS

CGAP SUBCHAPTER 1233.103 Protests to the agency.

(f)(1) The submission required by FAR 33.103 (the determination authorizing award of a contract prior to resolution of a protest) shall be submitted to Commandant (G-LPL). If deemed necessary, Commandant (G-LPL) will coordinate the response with Commandant (G-CPM), prior to submitting it to the Assistant Secretary for Administration (M-1), via the Senior Procurement Executive.

(f)(3) Coordination with Commandant (G-LPL) is mandatory. All responses to a protester should address the protester's allegations, the agency's response to the allegations, conclusions, and the contracting officer's decision to deny or sustain the protest. |

CGAP SUBCHAPTER 1233.104 Protests to the General Accounting Office (GAO).

(a) General Procedures. The HCA responsibilities of TAM 1233.104(a) are delegated to the contracting officer. The contracting officer shall notify Commandant (G-LPL) whenever a protest is filed. The contracting officer's statement and all of the information required at FAR 33.104(a)(3)(ii) for the agency report is to be submitted to Commandant (G-LPL) in triplicate within 10 work days of the contracting officer's notification of the protest, or within 4 work days in the case of a determination to use the express option. Commandant (G-LPL) will then review and coordinate with the contracting officer as necessary, and prepare the agency's legal analysis. Commandant (G-LPL) has the responsibility to provide the information required by FAR 33.104(a)(7) to GAO.

(4) The contracting officer shall give the notice of protest to the contractor if award has been made, or if no award has been made, to all interested parties. This notice shall be in writing and shall be made a part of the protest file.

(i) The contracting officer is responsible for sending copies of the protest report to the protester and any interested parties, unless otherwise agreed upon between the contracting officer and Commandant (G-LPL). This should be accomplished simultaneously with Commandant (G-LPL) submittal of the report to GAO, and the copy(ies) shall be sent by the fastest means possible, (overnight mail, express mailing by the General Services Administration's mandatory contractor, etc.).

Electronic filings, to the extent permitted by GAO rules, should also be considered. Commandant (G-LPL) shall forward a copy of the transmittal letter to the contracting officer for inclusion in the report(s) forwarded, if appropriate.

(b) Protests before award. The determination referenced in TAM 1233.104(b) shall be signed by the contracting officer and forwarded in duplicate to the HCA. The HCA will coordinate the response with Commandant (G-LPL). If approved by the HCA, the HCA will forward the determination, through the Senior Procurement Executive, for concurrence of the Assistant Secretary for Administration (M-1).

(c) Protests after award. The notice referenced in TAM 1233.104(c) shall be submitted in duplicate to the HCA. The HCA shall coordinate the response with Commandant (G-LPL).

(g) Notice to GAO. The contracting officer shall submit the notice referenced in TAM 1233.104(g), regarding proposed noncompliance with GAO recommended action, to Commandant (G-LPL). The contracting officer shall also submit a copy of the notice to Commandant (G-CPM). If Commandant (G-LPL) concurs, Commandant (G-LPL) will submit the notice, through the Senior Procurement Executive, to the Assistant Secretary for Administration (M-1) for review and approval.

CGAP SUBCHAPTER 1233.2 DISPUTES AND APPEALS

CGAP SUBCHAPTER 1233.203 Applicability.

The procedures of Subchapter 1233.2 (Disputes and Appeals) apply to all matters set forth in CGAP Subpart 1201.103 and to disputes and appeals involving leases for military housing.

CGAP SUBCHAPTER 1233.210 Contracting officer's authority.

CGAP SUBCHAPTER 1233.210-90 Settlement after appeal is filed.

The contracting officer shall obtain the concurrence of the Chief Trial Attorney, Commandant (G-LPL), prior to settlement, after an appeal is filed.

**CGAP CHAPTER 1236 CONSTRUCTION AND ARCHITECT-ENGINEER
CONTRACTS**

**CGAP SUBCHAPTER 1236.2 SPECIAL ASPECTS OF CONTRACTING FOR
CONSTRUCTION**

**CGAP SUBCHAPTER 1236.201 Evaluation of contractor
performance.**

(a)(4) The authority to establish procedures which ensure that fully qualified personnel prepare and review construction contractor performance reports is delegated to the COCO Level 2.

(c)(1) The Coast Guard procedures for distribution of contractor evaluation reports are in accordance with the FAR 36.201(c). Contracting activities shall ensure that procedures regarding accessing contractor evaluation reports under FOIAs comply with FAR 42.1503, TAM Subchapter 1242.1503 and CGAP subchapter 1242.1503.

**CGAP SUBCHAPTER 1236.208 Concurrent performance of firm-
fixed-price and other types of
construction contracts.**

Approval authority for cost-plus-fixed-fee, price-incentive, and other types of contracts with cost variation or cost adjustment features to be permitted concurrently at the same work site with firm-fixed-price, lump sum, or unit price contracts is delegated to the COCO Level 2.

**CGAP SUBCHAPTER 1236.209 Construction contracts with
architect-engineer firms.**

The authority to approve award of a contract for construction of a project to the firm (and its subsidiaries or affiliates) who designed the project is the HCA. The approval request should be submitted by the contracting officer through the COCO Level 1 or 2, and the activity chain of command, to Commandant (G-CPM) for processing to the HCA.

**CGAP SUBCHAPTER 1236.213 Special Procedures of Sealed
Bidding in Construction Contracting.**

CGAP SUBCHAPTER 1236.213-2 Presolicitation notices.

(a) The authority to waive the requirement for presolicitation notices on any construction requirement that may result in a contract with a value of \$100,000 or more is delegated to the COCO Level 2.

CGAP SUBCHAPTER 1236.213-70 Report of proposed Federal construction.

(b) Contracting officers must submit the Interagency Report No. 1671-DOL-AN, found in TAM Chapter 53 in accordance with TAM Subchapter 1236.213-70 to Commandant (G-CPM) by 20 August of each fiscal year. RCN-4200-10 applies.

CGAP SUBCHAPTER 1236.6 ARCHITECT-ENGINEER SERVICES

CGAP SUBCHAPTER 1236.601 Policy.

CGAP SUBCHAPTER 1236.601-90 Combining miscellaneous projects for architect-engineer services.

(a) Requirements for miscellaneous architect-engineer projects may be combined under a single contractual instrument. The contract shall be written as an Indefinite-Delivery Indefinite-Quantity Contract per the provisions of FAR Subparts 16.5 and 36.6, except that the following direction applies.

(1) Pricing considerations.

(i) Labor rates, overhead rates, and profit rates shall be negotiated on the basic contract for the base year including all option(s).

(ii) Orders shall be issued on a lump sum, fixed price basis per project.

(2) Limitations on Use.

(i) The contract shall state a guaranteed minimum per FAR 16.504 (a)(2). The contract shall have a guaranteed minimum contract amount and a contract maximum amount which shall be stated as a dollar amount. The guaranteed minimum shall be obligated at the time of contract award.

(ii) If the Government is not fairly certain that requirements will exceed the stated minimum, an Indefinite-Delivery-Indefinite-Quantity contract shall not be issued, and any individual A-E service project shall be awarded as one individual contract.

(iii) The contracting officer must obtain the requisitioner's statement per TAM 1216.501-2, prior to determining the estimated contract and option amounts. The contract amounts should not be arbitrarily fixed at the maximum authorized amounts, rather the contract amounts should be based on a case-by-case analysis considering the type of work, anticipated workload, effects on competition and, in coordination

with the Small Business Specialist at the activity.

(iv) No individual order shall exceed \$300,000.

(v) The fees under a particular IDIQ contract shall not exceed \$1,500,000 for any year or option.

(3) Other requirements.

(i) The Commerce Business Daily synopsis for the initial contract requirement shall enumerate any options and the guaranteed minimum amount and the contract maximum amount.

(ii) Up to four one-year option(s) are authorized. The option year amount is limited to the same dollar threshold limitations as the first year, (e.g., \$300,000 per task order, \$1,500,000 total option year amount). Consideration of the adverse impacts on competition and the continuity of services should both be considered when determining the number of options to be used in a contract.

(iii) The scope of such contracts should be made as specific and nonduplicative as possible to reflect the requirements of specific installations or geographic location, rather than a broad category of architect-engineer services.

CGAP SUBCHAPTER 1236.602 Selection of firms for architect-engineer contracts.

CGAP SUBCHAPTER 1236.602-1 Selection criteria.

(b) The authority to approve use of design competition when selecting for architect-engineer contracts is the COCO Level 2.

CGAP SUBCHAPTER 1236.602-2 Evaluation boards.

The authority to establish an ad-hoc architect-engineer evaluation board for each acquisition of A/E services in accordance with TAM Subchapter 1236.602-2 is delegated to the COCO Level 2.

CGAP SUBCHAPTER 1236.602-3 Evaluation board functions.

The authority to provide general direction to an evaluation board when selecting firms for architect-engineer contracts is delegated to the COCO Level 2 at Facilities Design and Construction Centers (FDCCs) and Civil Engineering Units (CEUs).

(d) The evaluation board shall prepare the selection report and submit to the COCO Level 2 for review and approval or disapproval.

CGAP SUBCHAPTER 1236.602-4 Selection Authority.

(a) The COCO Level 2, is the selection authority which shall approve or disapprove the written recommendations of each evaluation board.

CGAP SUBCHAPTER 1236.602-5 Short selection process for contracts not to exceed the simplified acquisition threshold.

Contracting offices with only COCO Level 1 authority are not authorized to procure architect-engineer services.

(b)(2) The evaluation board's report shall be reviewed and approved by the COCO Level 2. Approval shall be obtained prior to negotiations with the architect-engineer firm.

CGAP SUBCHAPTER 1236.603 Collecting data on and appraising firms qualifications.

COCOs Level 2 at Facilities Design and Construction Centers (FDCCs) and Civil Engineering Units (CEUs) shall establish procedures to meet the requirements of FAR 36.603(a). COCOs Level 2 shall ensure that data received from firms wishing to be considered for Government awards is maintained in a data file.

CGAP SUBCHAPTER 1236.604 Performance evaluation.

(a)(5) The authority to establish procedures which ensure that fully qualified personnel prepare and review construction contractor performance reports is delegated to the COCO Level 2.

(c) The Coast Guard procedures for distribution of contractor evaluation reports are in accordance with the FAR 36.604(c). Contracting activities shall ensure that procedures regarding accessing contractor evaluation reports under FOIAs comply with FAR 42.1503, TAM Subchapter 1242.1503 and CGAP subchapter 1242.1503.

CGAP SUBCHAPTER 1236.609-1 Design within funding limitations.

(c) The authority to determine that cost limitations are secondary to performance considerations and additional project funding can be expected, if necessary, and FAR clause 52.236-22, Design Within Funding Limitations, is not to be included in fixed price Architect-Engineer contracts is delegated to the COCO Level 2.

CGAP SUBCHAPTER 1236.690 Option for quality assurance and inspection services.

(a) Contracting officers shall release all retainage of payments for completed design work after the completion and

acceptance of architect-engineer services on the basic contract and prior to the possible exercise of any option for quality assurance and inspection services. This is consistent with paragraph (c), FAR 52.232-10, Payments under Fixed-Price Architect-Engineer Contracts.

(b) When there is a possibility that in-house Government resources will be insufficient to cover the quality assurance and inspection requirements of a construction contract, and specifications for that contract are to be written by an architect-engineer firm on a fixed-price contract, the contracting officer shall consider inclusion of the clause at CGAP 1236.691 in the design architect engineer contract. When an option is included, technical specifications for quality assurance and inspection service shall be included as an "Appendix A" to the statement of work, entitled "Quality Assurance and Inspection Services." Contracting officers shall negotiate prices before award of the basic contract, with the negotiated price set out as a separate optional contract line item.

CGAP SUBCHAPTER 1236.691 Clause.

QUALITY ASSURANCE AND INSPECTION SERVICES

At any time prior to 10 months after satisfactory completion and acceptance of architect-engineer services in this contract, the Government may exercise its option for architect-engineer performance of quality assurance and inspection services set out as "Appendix A" to the statement of work. The architect-engineer shall proceed with such work and services within thirty (30) days after the option is exercised.

(end of clause)

CGAP CHAPTER 1237 SERVICE CONTRACTING

CGAP SUBCHAPTER 1237.1 SERVICE CONTRACTS - GENERAL

CGAP SUBCHAPTER 1237.103 Contracting officer responsibility.

(c) Contracting Officers shall document the file if it is determined that performance-based contracting methods will not be used for any new requirement (task order or contract) or follow-on contracts. Any documentation which results in a determination that PBSC elements will not be used, must be submitted via the COCO to Commandant (G-CPM-2) prior to the CBD synopsis, or in the case of task orders, prior to signature by the contracting officer. The elements of PBSC which must be addressed are located at FAR 37.601. The contracting officer may proceed unless otherwise notified by Commandant (G-CPM).

Contracting Officers may use the Performance-Based Service Contracting (PBSC) Solicitation/Contract/Task Order Review Checklist for reviewing solicitations/contracts/task orders actions. The Office of Federal Procurement Policy Checklist is found at http://www.arnet.gov/References/Policy_Letters/pbsckls.html

CGAP SUBCHAPTER 1237.104-90 Personal services contracts.

Personal services shall be obtained by the temporary or intermittent employment of individuals through the cognizant local personnel office rather than by contract. FAR 37.104 (b) prohibits the award of personal services contracts unless specifically authorized by statute to do so, see TAM Subparts and CGAP Subparts 1237.104-90 and 1237.104-91.

CGAP 1237.104-92 Exemption, prohibition, and limitation.

(a) When contracting for personal services for health care services with individuals who are former federal employees, the contracting officer shall comply with the Federal Workforce Restructuring Act.

(b) Contracting officers shall consult Chapter 11, Commandment Instruction M6000.1 (series), Medical Manual for the limitations and prohibitions regarding funding, personnel eligibility, and payments under contracts for personal services for health care

CGAP SUBCHAPTER 1237.112 Government use of private sector temporaries.

(d) The requirements office should contact Commandant

(CGPC-cpm) for proper completion of the certification at Part II of the Checklist at TAM Subchapter 1237.112, Appendix A.

(f) The requiring office must submit the information at TAM Subchapter 1237.112(f)(1)-(5) to Commandant (CGPC-cpm) for proper processing and approval.

CGAP SUBCHAPTER 1237.113 SEVERANCE PAYMENTS FOR FOREIGN NATIONALS

CGAP SUBCHAPTER 1237.113-1 Waiver of cost allowability limitations.

The authority to waive the cost allowability limitations on severance payments is retained by the HCA.

CGAP SUBCHAPTER 1237.2 ADVISORY AND ASSISTANCE SERVICES

CGAP SUBCHAPTER 1237.203-70 Policy.

(a) The authority of the head of the agency at TAM 1237.202-70, is delegated to COCO Level 1 and 2.

CGAP SUBCHAPTER 1237.204 Guidelines for determining availability of personnel.

(a) The authority to make determinations at FAR 37.204(a) is delegated to COCO levels 1 and 2.

(b) The authority to take actions and determine availability under FAR 37.204(b) is delegated to COCO Levels 1 and 2.

(d) The authority to make determinations regarding the availability of personnel at FAR 37.204(d) is delegated to COCO levels 1 and 2.

CGAP SUBCHAPTER 1237.205-90 Contracting Officer responsibilities.

In accordance with OA procedures, acquisitions for advisory and assistance services over \$100,000 shall be annotated on the Procurement Forecast Form, under the section for comments.

CGAP SUBCHAPTER 1237.601 - General.

Contracting officer shall ensure compliance with review requirements at CGAP 1237.103(c) for all Performance-based Service Contract actions.

CGAP CHAPTER 1241 ACQUISITION OF UTILITY SERVICES

CGAP CHAPTER 1241.1 GENERAL

(c) Requests for certification shall be submitted by the COCO to the SPE via Commandant (G-CPM).

CGAP SUBCHAPTER 1241.5 SOLICITATION PROVISION AND CONTRACT CLAUSES

CGAP SUBCHAPTER 1241.501 Solicitation provision and contract Clauses.

(a) Contracting officers may use variations of the prescribed provision and clauses under (FAR) 48 CFR 41.5 when necessary for a particular acquisition of utilities. Legal counsel, pursuant to CCAP Subchapter 1201.690(d)(3), shall review variations of prescribed provisions and clauses for legal sufficiency.

CGAP SUBCHAPTER 1241.71 Energy savings performance contracts.

CGAP SUBCHAPTER 1241.7100 Policy.

Proposed actions under this section must be coordinated with Commandant (G-CPM).

CGAP CHAPTER 1242 CONTRACT ADMINISTRATION

CGAP SUBCHAPTER 1242.1 CONTRACT AUDIT SERVICES

CGAP SUBCHAPTER 1242.101 Contract audit responsibilities.

(b) The Department of Transportation (DOT) Office of the Secretary of Transportation (OST) and the Defense Contract Audit Agency (DCAA) cross-serving agreement for contract administration or audit services effective 1 October 1996 was transmitted by Commandant (G-CPM) Distribution letter 4200/GEN of 25 April 1997. An electronic copy of the DOT and DCAA Memorandum of Understanding (MOU) and its updates, including any revised hourly billing rates, can be obtained at the DOT Internet site: <http://www.dot.gov/ost/m60/mous/mousheet.htm>. Each Operating Administration (OA) is responsible for funding its own contract audits. The MOU as amended in February 1997, designates the Coast Guard Finance Center as the sole billing point for the Coast Guard. Specific Coast Guard procedures which shall be followed are:

(1) When the contracting officer ascertains that an audit is needed, funds shall be obtained from the requisitioning office on a Purchase Request (PR). DCAA can assist you in determining an estimate of the funding required for the services you propose. The hourly billing rate \$69.19 per hour (as of Amendment 0002). On the average, a typical audit takes 1-2 weeks to complete, although it can take longer depending on circumstances.

(2) The contracting officer shall issue a funded Interagency Agreement order (IAO) citing all necessary appropriation data in a format similar to the sample IAO found in Annex IV of the MOU. Be sure to transmit the obligation to the Finance Center as a document type 28. The original and three copies of this AIO shall be sent to:

Commandant (G-ACS-3)
U.S. Coast Guard Headquarters
2100 Second Street, S.W.
Washington, DC 20593-0001

and one copy to:

Interagency Agreement
Coast Guard Finance Center
P. O. Box 4116
Chesapeake, VA 23337-4116

(3) Transmittal of the IAO to the Commandant (G-ACS-3) shall contain the following information:

- (i) Cognizant DCAA office;
- (ii) Type of audit service requested (i.e., proposed review, rate Review, closeout);
- (iii) Offeror/contractor name and address;
- (iv) Offeror/contractor point of contact;
- (v) Type of contractual action to be audited;
- (vi) Dollar amount of action to be audited;
- (vii) Solicitation/contract number;
- (viii) Requested audit completion date;
- (ix) Whether information to be audited is included with the package (e.g., offeror's proposal included);
- (x) Whether a technical evaluation will be provided to DCAA; And
- (xi) Special instructions or concerns.

(4) DCAA will accept or reject the IAO within 15 days of receipt. In cases of rejection, the contracting officer will be notified by Commandant (G-ACS-3) as soon as possible.

(5) Each month, DCAA will bill the Finance Center for all effort expended the previous month on Coast Guard audits. The Finance Center will then charge each IAO account in accordance with the billing information. The contracting officer will not be required to approve payment before the Finance Center disburses the funds.

(6) Should it become necessary to increase the obligation of funds against the IAO, the contracting officer shall contact Commandant (G-ACS-3) for advice before issuing a modification. Distribution of all modifications to the IAO shall be in accordance with procedures in this subchapter.

CGAP SUBCHAPTER 1242.2 CONTRACT ADMINISTRATION SERVICES

CGAP SUBCHAPTER 1242.202 Assignment of contract administration.

(c)(2) The authority of the HCA under FAR 42.202(c)(2) is delegated to the COCO Level 2.

CGAP SUBCHAPTER 1242.3 CONTRACT ADMINISTRATION OFFICE FUNCTIONS

CGAP SUBCHAPTER 1242.302-90 Contract Administration Functions.

When an Administrative Contracting Officer's (ACO) function have been delegated by the Procurement Contracting Officer and a contract has been assigned for administration, the PCO shall delegate specific contract administration functions in writing to the ACO. If any functions are to be retained by the PCO they shall also be stated in writing. Copies of any delegations shall be provided to the contractor for information purposes.

CGAP SUBCHAPTER 1242.7 INDIRECT COST RATES

CGAP SUBCHAPTER 1242.703-2 Certification of Indirect Costs

The authority of the agency head to waive the requirement for certified final indirect costs is delegated to the COCO level 2.

CGAP SUBCHAPTER 1242.14 TRAFFIC AND TRANSPORTATION MANAGEMENT

CGAP SUBCHAPTER 1242.1401 General.

(b) The Headquarters office which can provide assistance concerning the tasks delineated under FAR 42.1401 is Commandant (G-SLP).

CGAP SUBCHAPTER 1242.15 CONTRACTOR PERFORMANCE INFORMATION

CGAP SUBCHAPTER 1242.1502 Policy.

Coast Guard contracting offices with architect-engineer contracts should follow the procedures at TAM, except for the use of the Appendix B format for evaluation. The other sample letters at Appendix B may be used as appropriate for construction or architect-engineer services. Interim evaluations shall be performed on contracts exceeding one year in duration.

CGAP SUBCHAPTER 1242.1503 Procedures.

(a) For the Coast Guard, except for architect and engineering services, the National Institute of Health Contractor Performance System (CPS) shall be used for all performance evaluations. For the Coast Guard, the COCO Level 2 or his designee shall determine who will evaluate contractor's performance.

(c) FAR 42.15 provides prohibitions on the release of the performance evaluations or information. However, requests for information under the Freedom of Information Act (FOIA) shall be processed in accordance with DOT and procedures established by the Coast Guard.

**CGAP SUBCHAPTER 1242.70 CONTRACTING OFFICER'S TECHNIAL
REPRESENTATIVE**

CGAP SUBCHAPTER 1242.7001 Scope of subchapter.

The subchapter provides policy and procedures concerning the selection and training, and certification of a COTR.

CGAP SUBCHAPTER 1242.7002 Selection and training.

The Coast Guard's policies for COTR selection and training, which supplements the DOT COTR Training Standards policy, is provided as Appendix A to this subchapter.

CGAP SUBCHAPTER 1242.7003 Certification.

The Coast Guard's policies for COTR certification, which supplements the DOT COTR Training Standards policy, is provided as Attachment A to this subchapter.

APPENDIX A TO CHAPTER 1242

I. Introduction

The purposes of this policy are: 1) to establish Operating Administration policies and procedures for appointing COTRs in the U.S. Coast Guard, in accordance with TAM 1242.70 (<http://www.dot.gov/ost/m60/earl/chap1242.htm#1242.70>); and 2) to establish Operating Administration policies and procedures for obtaining mandatory Contracting Officer's Technical Representative (COTRs) training as required by the Clinger-Cohen Act, Office of Federal Procurement Policy Letter 97-01, and the departmental policy entitled DOT COTR Training Standards (<http://www.dot.gov/ost/m60/workforce/transtand.htm>).

II. Definition

Contracting Officer's may appoint technical representatives and delegate certain responsibilities to assist in the performance of contract administration duties. A Contracting Officer's Technical Representative (COTR) is any individual so designated by the Contracting Officer that performs any one or all of the following functions: inspection, testing, acceptance of contract line items, surveillance of contractor performance, controlling government furnished property, reviewing and recommending approval/disapproval of invoices, vouchers, etc.

III. Applicability

This policy applies to all employees appointed as COTRs as of December 31, 1999, in accordance with TAM 1242.7004. Employees appointed prior to this date must take refresher COTR training in accordance with section V. Employees performing related acquisition functions are encouraged to take the training outlined in section V, or similar instruction.

IV. Appointment Procedures

Contracting Officers shall appoint COTRs in writing in accordance with procedures outlined in TAM 1242.7004.

V. Training Requirements

Initial Training - COTRs appointed after December 31, 1999 shall take a minimum of 24 hours of COTR training which covers the competencies enumerated in the DOT COTR Training Standards. Information on obtaining this training will be provided by the Contracting Officer in the COTR appointment letter outlined in TAM 1242.7004. During an initial implementation period, this training must be accomplished within 12 months of the effective

date of this policy. At the conclusion of this implementation period, beginning January 1, 2001, newly appointed COTRs shall complete 24 hours of training prior to their appointment in order to serve as a COTR. Initial training requirements can be met through attendance of G-CPM sponsored classroom training or completion of a three-course package of online courses provided through the Federal Acquisition Institute's Online University. The three courses are: Contracting Orientation, Market Research for Acquisition Officers, and COR Mentor.

Refresher Training - All COTRs, regardless of date of appointment, must have a minimum of 8 hours of refresher training annually. The HCA, Director of Finance and Procurement, has determined that the Federal Acquisition Institute's Online University provided COR Mentor course meets the requirement for annual refresher training. Acceptable alternatives to the online COR Mentor course are workshops that address pertinent topics such as market research, performance based contracting, COTR duties, and other topical areas determined appropriate by the contracting officer. Alternate forms of refresher training must be approved by the contracting officer and be documented via workshop completion certificates.

VI. Monitoring System

Contracting Officers responsible for appointing COTRs shall ensure that the requisite training has been taken within the time frames set forth above. COTRs are responsible for providing documentation of completion of both initial and refresher training to the Contracting Officer. The contracting officer will document the contract file with proof (certificates) of required COTR training (initial and refresher).

VII. COCO Responsibility

COCOs shall be responsible for managing COTR appointments for all contracts within their purview, to include identification of most advantageous and cost-effective training mechanism (classroom or online training) per individual. Online training may be directly accessed through the Federal Acquisition Institute's Online University at no cost to the program or contracting office, located at <http://www.faionline.com>. Contracting Officer's may direct COTRs to enroll in online training via the COTR Appointment letter. To request COTR Classroom training, COCO's must approve Short-Term Resident Training Request, CG-5223, and forward to the Office of Procurement Management (G-CPM-1).

As the course manager for acquisition workforce training, the Office of Procurement Management will continue to manage COTR classroom training as Headquarters Class "C" training. When requesting COTR classroom training, COCOs must provide the below supporting remarks in Block 22 of CG-5223 to assist G-CPM in prioritizing scarce training quotas. Classroom training will be prioritized considering complexity, dollar value of contract and access to internet. Address each of the following items:

(1) the contract commodity/service, the approximate dollar value of the contract(s) to which the COTR will be appointed;

(2) the type of contract anticipated;

(3) the contract period of performance;

(4) why classroom training is necessary in lieu of online training: (a) first time appointments, having no prior COTR experience, without access to internet-based training (cutters or units not on SWIII); (b) new or existing appointments, having prior COTR experience, without access to internet-based training; (c) first time or new appointments with access to internet but other need for classroom training;

(5) additional information deemed necessary.

VIII. Exceptions

GS-9 or military equivalent that have served as a contract specialist, contracting officer, or procurement analyst within 5 years previous to their appointment date may be exempted from the initial training requirements. This is a Contracting Officer decision.

Procurements valued under the SAT, are exempt from this policy unless the Contracting officer determines that a trained COTR is necessary. For complex procurements valued under the SAT, the Contracting Officer may determine that a COTR appointment is necessary and require training as outlined above.

Any exceptions to COTR training requirements outlined above will be granted by the Head of the Contracting Activity on a case-by-case basis.

CGAP CHAPTER 1245 GOVERNMENT PROPERTY

CGAP SUBCHAPTER 1245.1 GENERAL

CGAP SUBCHAPTER 1245.101-90 Definitions.

"Government-furnished property," as used in this CGAP and corresponding FAR Part, is not considered to be in the possession of the contractor until the contractor has signed a Government transfer document, (e.g., DD Form 1149, Requisition and Invoice/Shipping Document) accepting responsibility for the property.

CGAP SUBCHAPTER 1245.105 Records of government property.

The contractor's property control records shall constitute the Government's official property records unless the Government maintains its own property records. If the Government maintains its own property records, the report DOT F 4220.43, Contractor Report of Government Property is not required.

CGAP SUBCHAPTER 1245.5 MANAGEMENT OF GOVERNMENT PROPERTY IN THE POSSESSION OF CONTRACTORS

CGAP SUBCHAPTER 1245.505 Records and reports of Government property.

Records created by a contractor while working for the Coast Guard belong to the federal government and must be maintained per COMDTINST M5212.12, the Paperwork Management Manual.

CGAP SUBCHAPTER 1245.505-90 Reports of Government property.

Contracting officers shall include annual Government property reports as a separate contract line item in all solicitations and contracts that require the furnishing of Government property to contractors, except when the Government maintains its own property records as specified at CGAP subchapter 1245.105.

CGAP SUBCHAPTER 1245.590 Management of Government property in the possession of contractors.

(a) The guidance set forth in enclosure (23), Policy Guidance for Government Furnished Property, establishes procedures for the management and administration of Government-Furnished Property for the Coast Guard.

CGAP SUBCHAPTER 1245.508 Physical inventories.

COCO levels 1 and 2 shall ensure the following as applicable:

(1) The property administrator conducts a physical inventory for each contract that provides for contractor-held government property during the fourth quarter of each fiscal year.

(2) The property administrator shall provide the basic information at FAR 45.505-1 to the unit property officer for all property equal to/or exceeding \$25,000 (capital assets).

(3) The unit property officer is responsible for recording contractor-held government property equal to/or exceeding \$25,000 into the AIM/Oracle database.

(a) The unit property officer will provide the property administrator a data report (database printout) of the property information for each applicable contract recorded in the database for reconciliation.

(b) The property administrator shall review the data report for accuracy; the property administrator shall certify as to the accuracy of the data report and forward a copy of the certified data report to the COCO and program manager for each applicable contract.

(c) The COCO shall forward a copy of the certified data report to the Commandant (G-CPM), Room 2606, NLT October 5th of each fiscal year and maintain a copy in the applicable contract file.

**CGAP SUBCHAPTER 1245.6 REPORTING, REDISTRIBUTION, AND
DISPOSAL OF CONTRACTOR INVENTORY**

CGAP SUBCHAPTER 1245.608 Screening of contractor inventory.

CGAP SUBCHAPTER 1245.608-6 Waiver of screening requirements.

The authority to permit exceptions from requirements for screening of contractor inventory of Government property is delegated to the contracting officer. The contracting officer shall coordinate any determination of such exceptions with Commandant (G-CFM).

**CGAP SUBCHAPTER 1245.610 Sale of surplus contractor
inventory.**

CGAP SUBCHAPTER 1245.610-2 Exemptions from sale by GSA.

(a) The sale of Government-owned personal property under a contract by anyone other than the General Services Administration (GSA) is prohibited unless, an exemption is granted by the Administrator of the GSA. The Property Management Manual, COMDTINST M4500.5 series, provides additional guidance on the sale and disposal of Government-owned personal property. The authority to seek exemptions from the Administrator, GSA, for sales of surplus contractor inventory is delegated to Commandant (G-CFM).

CGAP CHAPTER 1248 VALUE ENGINEERING

CGAP SUBCHAPTER 1248.1 POLICIES AND PROCEDURES

CGAP SUBCHAPTER 1248.104-2 Shared collateral savings.

(a) The authority to determine that the cost of calculating and tracking collateral savings on value engineering change proposals will exceed the benefits to be derived is delegated to the COCO Level 2.

CGAP SUBCHAPTER 1248.2 CONTRACT CLAUSES

CGAP SUBCHAPTER 1248.201 Clauses for supply or service contracts.

(e) The authority to determine for a contract or a class of contracts that the cost of computing and tracking collateral savings on value engineering change proposals will exceed the benefits to be derived is delegated to the COCO Level 2.

CGAP SUBCHAPTER 1248.202 Clause for construction contracts.

The authority to determine that the cost of computing and tracking collateral savings on value engineering change proposals for a contract will exceed the benefits to be derived is delegated to the COCO Level 2.

CGAP CHAPTER 1249 TERMINATION OF CONTRACTS

CGAP SUBCHAPTER 1249.1 GENERAL PRINCIPLES

CGAP SUBCHAPTER 1249.106 Fraud or other criminal conduct.

In cases of suspected fraud or other criminal conduct in connection with the settlement of a terminated contract, the contracting officer shall take action per the procedures in COMDTINST 5520.5 (series), Investigative Assistance.

CGAP SUBCHAPTER 1249.4 TERMINATION FOR DEFAULT

CGAP SUBCHAPTER 1249.401 General.

A copy of notices of termination for default, with all pertinent information, shall be forwarded to Commandant (G-LPL) for review as to legal sufficiency. The contracting officer shall notify Commandant (G-LPL) by telephone upon transmission of these documents. Commandant (G-LPL) will provide verbal approval or disapproval within three (3) working days after receipt of the documents.

CGAP SUBCHAPTER 1249.5 CONTRACT TERMINATION CLAUSES

CGAP SUBCHAPTER 1249.501 General.

The COCO Level 2 shall approve the request for authority to use the special purpose clauses. The request shall contain the following information: a copy of the clause, justification for the necessity of its use, and the concurrence of legal counsel regarding the legality of the proposed clauses and the inappropriateness of the standard FAR clauses.

CGAP SUBCHAPTER 1249.6 CONTRACT TERMINATION FORMS AND FORMATS

CGAP SUBCHAPTER 1249.607 Delinquency notices.

(a) Cure Notice. When it is appropriate to issue a cure notice, the format in FAR 49.607(a) is mandatory except that additional paragraphs may be added, if appropriate. If repurchase is a possibility, the following paragraph shall be added to the cure notice:

Should the Government decide to pursue its right of termination for default, the Government may procure supplies or services similar to those so terminated, and you will be liable to the Government for any excess costs of the repurchase.

(b) Show cause notice. The format in FAR 49.607(b) is mandatory for the Coast Guard.

CGAP SUBCHAPTER 1249.607-90 Notice to re-establish a delivery date.

(a) A notice to unilaterally re-establish a contract delivery date is normally only appropriate when a period of time (several weeks or more) has elapsed with no official action taken by the contracting office and when the contractor will not agree to a contract modification to change the delivery date.

(b) Contracting officers shall document in a memorandum to the file why the unilateral action is in the best interest of the Government and the basis for determining the re-established contract delivery date. After obtaining concurrence of legal counsel, a notice substantially as follows shall be used:

NOTICE TO RE-ESTABLISH A DELIVERY DATE

The contract delivery date under (insert contract number) has elapsed. To date, you have not satisfactorily completed the contract as required by its terms. This is to advise you that the Government is re-establishing the date for delivery of supplies (or services) to (insert a reasonable date). At that time, if you have not satisfactorily completed performance of the contract as required by its terms, the Government may pursue its right under the default clause in the contract.

(end of notice)

(c) The above notice shall be sent with proof of delivery requested.

INAPPLICABLE LAWS - BE CAREFUL . . .

Laws inapplicable or partially applicable to contracts and subcontracts for commercial items are listed in FAR Subpart 12.5. Remember that "not applicable" does not necessarily mean the provisions of the statute do not apply. For example, while contractors are relieved of the requirement to submit certain certifications, they are still required to comply with the laws such as the Clean Air Act, the Federal Water Pollution Control Act, and the Contract Work Hours and Safety Standards Act. It is the written "certification" which has been deleted, NOT the requirement to comply with the statute.

STREAMLINED PROCEDURES - SAVING TIME . . .

FAR Subpart 12.6 contains two streamlined procedures. The first one describes a less formal evaluation procedure than that found in FAR Parts 14 and 15 and is discussed above under "Specifications and Evaluation Factors."

The second one combines the CBD synopsis and solicitation-into a single document. The procedure is designed to reduce the time required to solicit and award contracts for noncomplex items. It expands the information to be published in the CBD synopsis notice (12,000 textual characters or approximately 3½ single-spaced pages), so that the synopsis notice effectively serves as the solicitation. These solicitations are no longer required to remain open for 30 days, but must remain open for at least 15 days (FAR 12.603(c)(3)(ii)). Note: be sure to include the requirement for Ombudsman Notice at CGAP Subchapter 1212.203-91.

ADDENDA - KEEP TO A MINIMUM

Some contract features which may require addenda to the solicitation are: use of indefinite-quantity contract, use of option, and use of recovered material. Others will be unique to the specific buy.

USING THE SF 1449 - WHAT WILL MY SOLICITATION LOOK LIKE?

The SF 1449 may serve both as a solicitation/contract/order document and as a receipt and acceptance document. Use of SF 1449 is mandatory when procuring commercial items. The uniform contract format does not apply to these procurements. Typically, solicitations and contracts for the acquisition of commercial items shall be assembled as follows:

- a. SF 1449
- b. Continuation of any blocks necessary
- c. Contract Clauses
 - FAR 52.212-4
 - Any addendum to FAR 52.212-4
 - FAR 52.212-5
- d. Any attachments (e.g. SOW, SPECS)
- e. Solicitation Provisions
 - FAR 52.212-1
 - Any addendum to FAR 52.212-1

FAR 52.212-2

FAR 52.212-3

GENERATING THE SF 1449 - HELP!!!

The following is a guide to completing the blocks of the SF 1449:

Block 1 - DAFIS document number (same as item 4, OF 347).

Block 2 - Contract number (DTCG) if applicable
(same as item 2, OF 347).

Block 3 - self explanatory.

Block 4 - Order number (DTCG) if applicable
(same as item 3, OF 347).

Block 5 - If the SF 1449 is used for a solicitation, then the order number field is not filled.

Block 6 - date of issuance of the solicitation, if applicable.

Blocks 7,8,9 - self explanatory.

Block 10 - enter unrestricted (open to any vendor) or set-aside. If the order exceeds \$2,500, but is not over \$100,000, then it is a small business set aside, unless the contracting officer determines, in writing, that there is not a reasonable expectation of obtaining offers from two or more responsible small business concerns that are competitive in terms of market prices, quality, and delivery (See FAR Part 19.502-2). See FAR Part 19 for more information on set-asides and North American Industry Classification System (NAICS). If a price evaluation adjustment for small disadvantaged business concerns is applicable, or if an incentive subcontracting clause is used, or if set-aside for emerging small business, see FAR 12.303(b).

Block 11 - FOB destination is the default unless block is checked. In this case, information must be in the schedule addendum.

Block 12 - same as block 16, of 347.

Block 13 -check if this is a DO rated order.

Blocks 14, 15 - self explanatory.

Block 16 - This should default to block 9 unless otherwise indicated.

Block 17a - self explanatory.

Block 17b - for use by the vendor.

Block 18 a & b - same as item 21, of 347, except for document type 24. In this case, check the "see addendum" box in item 18b.

Blocks 19-26 - self explanatory.

Block 27a - for a solicitation select (a). FAR 52.212-1 and FAR 52.212-4 are incorporated by reference. FAR 52.212-3 and FAR 52.212-5 shall be attached. Check box provided if additional clauses/provisions are attached.

Block 27b - for a purchase order select (b). FAR 52.212-4 is incorporated by reference. FAR 52.212-5 shall be attached. Check box provided if additional clauses/provisions are attached.

Block 28 - not often used under the simplified acquisition threshold.

Block 29 - used most often for awarding contracts.

Block 30 a through c - completed by the offeror usually only in formal contracts.

Block 31 a through c - contracting officer data.

Block 32 a through c - receiving data - may be completed by the Contracting Officer's technical representative (COTR).

Blocks 33-42 - leave these blank.

ENCLOSURE (4)- (7) TO COMDTINST M4200.19F

ENCLOSURE (4) TO COMDTINST M4200.19F

RESERVED

ENCLOSURE (5) TO COMDTINST M4200.19F

RESERVED

ENCLOSURE (6) TO COMDTINST M4200.19F

RESERVED

ENCLOSURE (7) TO COMDTINST M4200.19F

RESERVED

RECORD OF REVIEW

FOR (insert proposed contract/modification number)

Contract Review Board (insert initiating office, official, or review board)

(Insert appropriate approving official)

1. ACTION

This section shall contain identification of the proposed contractor's name and address; and description of what we are buying.

2. RECOMMENDATION

It is recommended that the proposed award to (insert proposed contractor's name) in the amount of \$ (insert amount*) be approved. By signing this record of review, the Contracting Officer and Level above the Contracting Officer Approval official certify that compliance with acquisition laws, regulation, TAM or CGAP have been accomplished and that all review comments have been resolved.

(Legal counsel)

(Responsible program official)

(Contracting officer)

Level above Contracting Officer approval**

3. APPROVAL/DISAPPROVAL

The award to (insert proposed contractor's name) in the amount of \$(insert amount*) is:

***APPROVED: _____ DISAPPROVED: _____
(Title of Approval Official)

DATE: _____

* The dollar amount total must be inclusive of base year and option(s) amounts.

** Level above Contracting Officer is the individual per TAM Subchapter 1204.7003(c) and CGAP Subchapter 1204.7003(c).

***The approval official per CGAP Subchapter 1204.7003(c) and the fill-in at FAR clause 52.204-1, Approval of Contract for the solicitation/contract should be consistent.

withdrawn by an amendment to the MIPR. The successful offeror (Contractor) will submit their invoices directly to the Coast Guard for payment in accordance with the terms of the Agency's contract.

(c) Block c. - This block applies to Categories I and II mentioned above. Block 8 of PD Form 448-2 must be carefully scrutinized to determine how the funds under the MIPR were obligated. The procedures in paragraphs 4(e)(1)(a) and (b) above are applicable for the respective categories.

(d) Block d. is a Qualified Acceptance. - This is self-explanatory. Periodic contact with the Agency must be made until a final price has been determined. This price determination may require an increase or decrease to the estimated amount of the MIPR. If so, the Agency should notify you accordingly, and the appropriate amendment to the MIPR shall be written.

f. PROCEDURES AFTER MIPR ACCEPTANCE BY THE AGENCY.

(1) The executed MIPR, MIPR acceptance, and the Agency's contract, contract modification, or delivery order (if applicable) shall be distributed to the appropriate accounting office (to obligate the funds), the requiring office and any other interested persons. In cases where the Coast Guard Finance Center is the accounting office, copies of category I and II MIPRS and their acceptances must be sent to Commanding Officer (OGQ), USCG Finance Center, P.O. Box 4116, Chesapeake, VA 23327-4416.

(2) For Category II MIPRs for services, be sure to display the contractor's Taxpayer's Identification Number (TIN) in block 13 of the MIPR Acceptance DD Form 448-2 before distributing to the appropriate accounting office.

(3) Upon receipt of the Agency's contract, contract modification, or delivery order, the contract specialist must review the document to locate the item number(s) applicable to Coast Guard's requirement. The quantity, price, delivery schedule, and payment provisions, and other terms and conditions applicable to Coast Guard's item number should also be ascertained. All discrepancies shall be orally conveyed to the Agency and confirmed in writing.

(4) The Agency's contract document must be kept in the MIPR file for administration.

Note: In all cases where the Agency accepts the MIPR in an amount lesser than that committed on the MXPR, the DD Form 448-2 may be used as your authority to withdraw the excess funds by an amendment to the MIPR.

g. MIPR CHANGES/ADMINISTRATION.

(1) All changes to the MIPR must be accomplished by an amendment to the MIPR. The MIPR amendments must be numbered sequentially commencing with "0001." Only those items on the MIPR that are applicable to the change that differ from the original MIPR should be filled in. All

ENCLOSURE (12) TO COMDTINST M4200.19F

unchanged blocks must cite "N/C" (no change). Blocks 1 through 8 must always be filled in.

(2) A proposed MIPR amendment to increase quantities, change the scope of work, etc. shall not be issued until the Agency has been contacted to discuss the proposed change(s).

(3) All requirements for additional line items of supplies or services shall be obtained by a "NEW MIPR."

h. CANCELLATION OF CATEGORY II (DIRECT BILLING) MIPRS.

(1) When all or any part of the supplies or services are to be cancelled for MIPRS in this category, the Agency shall be notified by telegraphic notice. The Agency will advise the Coast Guard whether or not a contract has been awarded. If not awarded, an MIPR amendment shall be issued to formally cancel the requirement and withdraw the funds.

(2) If a contract has been awarded, the Agency will notify the Coast Guard within 45 days after receipt of the notice of cancellation. The notification will be a Termination Data Letter to the Coast Guard indicating the amount of funds to be immediately withdrawn, and the estimated amount of the settlement costs for the terminated contract.

(3) The Agency will review the termination proceedings at intervals of 60 days to assess the Government's probable obligation, and the Coast Guard will be advised accordingly. In any event, a MIPR amendment shall be issued to reflect the results of the termination.

i. CANCELLATION OF CATEGORY I (REIMBURSEABLE) MIPRS.

(1) When all or a part of the supplies or services are to be cancelled for Category I MIPR, a written notice (return acknowledgment) shall be provided to the Agency. The Agency should advise the Coast Guard within 30 days the items that can be terminated and the amount of funds in excess of the estimated settlement costs that may be withdrawn by an amendment to the MIPR.

j. TERMINATION FOR DEFAULT.

(1) If the Agency elects to terminate its contract for Default, the Coast Guard will be asked whether or not the supplies or services are still required. The funds shall remain on the MIPR until the Agency provides written disposition instructions.

(2) If additional funds will be necessary to reprocur the supplies or services under a new contract, the Agency will request such from the Coast Guard, and a MIPR amendment to reflect same shall be issued.

k. MIPR PAYMENTS.

(1) If the Agency provides the supplies or services or contracts for same and pays the Contractor with its funds, the Agency will normally request reimbursement of costs by submitting a billing to the appropriate Coast Guard

COAST GUARD ABOLISH RED TAPE IN CONTRACTING (ARTIC) PROGRAM

1. PURPOSE. This enclosure establishes policy and procedures for Coast Guard Contracting activities participation in the ARTIC program.

2. APPLICABILITY. Participation is authorized for Coast Guard contracting activities with formal (acquisitions in excess of the simplified acquisition threshold) contract authority.

3. DISCUSSION. The ARTIC program is designed to promote streamlining in the Coast Guard procurement process. The goal of this program is the elimination of unnecessary procurement regulations and procedures which impede the exercise of good business judgement in the procurement process. This will be accomplished through class deviation/waiver requests from formal contracting. The Deviation/Waiver (D/W) requests must be related to formal contracting procedures (acquisitions in excess of the simplified acquisition threshold) and justified by the contracting activity making the request.

4. PROCEDURES. The stages of the ARTIC process are as follows:

a. Contracting activities submit requests for class D/W from specific procurement regulations and procedures (Federal Acquisition Regulation (FAR), Transportation Acquisition Regulation (TAR), Transportation Acquisition Manual (TAM), Coast Guard Acquisition Procedures (CGAP) and Department of Transportation (DOT) or Commandant directives affecting procurement). Requests should contain rationale for the D/Ws based on sound judgement and good business practices.

b. Only regulations, policies or procedures (FAR, TAR, TAM, CGAP DOT or Headquarters requirements affecting procurement) related to large purchase procedures are covered under ARTIC. D/W requests from statutory requirements (e.g., provisions of the Competition in Contracting Act of 1984) cannot be considered.

c. Requests shall be signed, recommending approval, by the Chief of the Contracting Activity (COCO).

d. All ARTIC D/W requests should be addressed to Commandant (G-CPM). Written requests, with supporting information, may be transmitted via electronic mail, message, facsimile, or normal mail.

Date Due Annually at COMDT (G-CPM): 15 NOV
Date Prepared: _____

**RESOURCE CONSERVATION AND RECOVERY ACT (RCRA)
U.S. Coast Guard Command Summary Report
For Previous Fiscal Year (FY)**

Coast Guard Command: _____

Point of Contact: _____

Telephone & Fax Numbers: _____

E-Mail Address: _____

Each command will provide a summary report on purchases made from sources OTHER THAN a Federal Supply Center. Purchases made from a Federal Supply Center will be reported for you by the command operating the center. Note: You must report any applicable purchases under GSA schedule contracts.

I. EPA GUIDELINE ITEMS.

A. Cement and Concrete Products containing fly ash and cement and concrete products containing granulated blast furnace slag (slag).

1. Total amount of cement purchased and/or used by your command in PREVIOUS FY

Without fly ash or slag \$_____ or total number of procurements _____

With fly ash or slag \$_____ or total number of procurements _____

2. Total amount of concrete purchased and/or used by your command in PREVIOUS FY

Without fly ash or slag \$_____ or total number of procurements _____

With fly ash or slag \$_____ or total number of procurements _____

3. Were there technical impediments to increasing the amount of concrete and cement containing fly ash and granulated blast

furnace slag purchased by your command in PREVIOUS FY? ____ (If yes, please attach an explanation of the technical impediment.)

B. Paper and Paper Products. GSA and GPO will provide data for commands' purchases of paper products made through their retail and wholesale stock program. However, please provide amounts for command purchases from any other sources. Also, please report items ordered under GSA schedule contracts.

1. Total dollar amount of **paper and paper products** purchased by your command from sources other than GSA and GPO in PREVIOUS FY \$ _____ and total number of procurements _____

2. Total dollar amount of **paper and paper products containing recycled material** purchased by your command from sources other than GSA and GPO in PREVIOUS FY \$ _____ and total number of procurements _____

C. Motor Vehicle Lubricating Oils. DLA will provide data for commands' purchases of oil through their program. However, please provide amounts for command purchases from other sources.

1. Total amount of **motor vehicle lubricating oil** purchased by your command in PREVIOUS FY \$ _____ and total number of procurements _____ (If your vehicle maintenance is accomplished through service contracts that include a standard price for vehicle servicing, report the total number of servicing(s) rather than the dollar value _____)

2. Total dollar amount of **motor vehicle lubricating oils containing re-refined oil** purchased by your command in PREVIOUS FY \$ _____ and total number of procurements _____ (If your vehicle maintenance is accomplished through service contracts that include a standard price for vehicle servicing, report the total number of services where the vehicle was serviced with re-refined oil rather than the dollar value _____)

3. Were there any technical impediments to increasing the amount of motor vehicle lubricating oils containing re-refined oil purchased by your command in PREVIOUS FY? ____ (If yes, please attach an explanation of the technical impediment.)

D. Retread Tires. Refer to the Federal Supply Schedule for Pneumatic Tires, FSC Group 26, Part II, Section A for items covered by this guideline. TACOM will provide data for commands' purchases of retreads for tactical vehicles.

1. Total dollar amount of **tires** purchased by your command in PREVIOUS FY \$ _____ and total number of procurements _____ |
2. Total number of **tires** purchased by your command in PREVIOUS FY _____
3. Total dollar amount of **retread tires** purchased by your command in PREVIOUS FY \$ _____
4. Total number of **retread tires** purchased by your command in PREVIOUS FY _____ and total number of procurements _____ |
5. Were there any technical impediments to increasing the amount of retread tires purchased by your command in PREVIOUS FY? _____ (If yes, please attach an explanation of the technical impediment.)

E. Building Insulation Products.

1. Total dollar amount of **building insulation products** purchased by your command in PREVIOUS FY \$ _____ or total number of procurements _____ |
2. Total dollar value of **building insulation products containing recycled materials** purchased by your command in PREVIOUS FY \$ _____ or total number of procurements _____ |
3. Were there any technical impediments to increasing the amount of building insulation products containing recycled materials purchased by your command in PREVIOUS FY? _____ (If yes, please attach an explanation of the technical impediment.)

F. Engine Coolants.

1. For commands that maintain fleet maintenance facilities, how many fleet maintenance facilities do you operate? _____
2. How many vehicles are maintained? _____
3. How many of your fleet maintenance facilities own and operate anti-freeze recycling equipment? _____

G. Structural Fiberboard and Laminated Paperboard.

1. Total dollar amount of **structural fiberboard and laminated paperboard** purchased by your command in PREVIOUS FY \$ _____ or total number of procurements _____

2. Total dollar amount of **structural fiberboard and laminated paperboard containing recycled materials** purchased by your command in PREVIOUS FY \$ _____ or total number of procurements _____

3. Were there technical impediments to increasing the amount of recycled materials for structural fiberboard and laminated paperboard purchased by your command in PREVIOUS FY? _____ (If yes, please attach an explanation of the technical impediments.)

H. Carpet (low and medium wear polyester fiber only).

1. Total dollar amount of **carpet** purchased by your command in PREVIOUS FY \$ _____ or total number of procurements _____

2. Total dollar amount of **carpet containing recycled material** purchased by your command in PREVIOUS FY \$ _____ or total number of procurements _____

3. Provide any additional information to demonstrate your commands compliance /commitment to purchasing carpet (low and medium wear polyester fiber) in PREVIOUS FY. This information could include policies issued, pilot projects, etc.

I. Floor Tiles (rubber or plastic only).

Provide any pertinent information to demonstrate your command's compliance/commitment to purchasing floor tiles (rubber or plastic only) in PREVIOUS FY. This information could include dollars spent, number of contracts, policies issued, pilot projects, etc.

J. Traffic Cones and Traffic Barricades (rubber or plastic only).

GSA will provide data for commands' purchases of traffic cones and traffic barricades and those with recycled materials. However, please provide amounts for commands' purchases from any other sources.

1. Total dollar amount of **traffic cones and traffic barricades** purchased by your command in PREVIOUS FY \$ _____ and total number of procurements _____

2. Total dollar amount of **traffic cones and traffic barricades with recycled content** purchased by your command in PREVIOUS FY \$ _____ and total number of procurements _____

K. Office Recycling and Waste Containers (plastic, paper or steel).

Provide any pertinent information to demonstrate your command's compliance/commitment to purchasing office recycling and waste containers (plastic, paper or steel) in PREVIOUS FY. This information could include dollars spent, number of contracts, policies issued, pilot projects, etc.

L. Plastic Desktop Accessories.

GSA will provide data for commands' purchases of desktop accessories and plastic desktop accessories. However, please provide amounts for command purchases from any other source.

1. Total dollar amount of **desktop accessories** purchased by your command in PREVIOUS FY \$ _____ and total number of procurements _____

2. Total dollar amount of **recycled content plastic desktop accessories** purchased by your command in PREVIOUS FY \$ _____ and total number of procurements _____

M. Toner Cartridges.

GSA and DLA will provide data for commands' purchases of toner cartridges and recycled toner cartridges. However, please provide amounts for command purchases from other sources.

1. Total dollar amount of toner cartridges purchased by your command in PREVIOUS FY \$ _____ and total number of procurements _____

2. Total dollar amount of recycled toner cartridges purchased by your command in PREVIOUS FY \$ _____ and total number of procurements _____

N. Binders (chipboard and plastic covered, not cloth).

GSA will provide data for commands' purchases of binders and chipboard and plastic covered binders. However, please provide

amounts for command purchases from any other source.

1. Total dollar amount of **binders** purchased by your command in PREVIOUS FY \$ _____ and total number of procurements _____

2. Total dollar amount of **recycled content chipboard and plastic covered binders** in PREVIOUS FY \$ _____ and total number of procurements _____

O. Plastic Trash Bags.

Provide any pertinent information to demonstrate your command's compliance/commitment to purchasing plastic trash bags in PREVIOUS FY. This information could include dollars spent, number of contracts, policies issued, pilot projects, etc.

II. SPECIFICATIONS. RCRA, Section 6002 (d) requires that Federal activities that have responsibility for preparing specifications: review them to eliminate unnecessary requirements for the use of virgin materials and prohibitions against using recovered materials; and add preferences for recovered materials.

A. Does your command have responsibility or control over a particular Federal supply class or group of specifications or standards? **Yes**_____ **No**_____

B. How many product specifications, standards, Commercial Item Descriptions (CIDs), product descriptions or similar documents does your command control? Number _____

C. How many such documents have been reviewed in PREVIOUS FY? Number _____

D. How many documents were modified in PREVIOUS FY to remove the requirements for the use of virgin materials? Number _____

E. How many documents were modified in PREVIOUS FY to remove references of language prohibiting the use of recovered materials? Number _____

F. How many documents were modified in PREVIOUS FY to add preferences for recovered materials? Number _____

G. Does your command have a policy to remove the requirements for virgin materials and add preferences for recovered

materials to these service contracts? (i.e. including the use of re-refined oil in your vehicle service contracts).

Yes_____ **No**_____

H. If your command does have a policy like the above, please provide a copy to us.

I. If your command does not have a policy, please provide an explanation.

III. SOLID WASTE PREVENTION

Please report solid waste prevention efforts for facilities for which your command is responsible.

A. Did you institute new solid waste prevention practices in PREVIOUS FY? **Yes** _____ **No**_____

B. If the response is Yes, please provide an explanation of those practices.

C. If the response is No, please provide an explanation of why not.

IV. RECYCLING.

A. What percentage of the offices/sites operated by your command have an active office products recycling program?
_____ **Percent**

B. What percentage of residential housing operated by your command have an active household products recycling program?
_____ **Percent**

C. What percentage of demolition projects managed by and/or contracted by your command includes the recovery of construction materials? _____ **Percent**

D. What percentage of your total solid waste was diverted to recycling? _____ **Percent**

e. Each D/W shall provide: title of D/W request, regulatory/procedural cite, rationale/justification, proposed duration and method of oversight if D/W is granted, expected benefits, and statutory impact (if any). Contracting activities should sequentially number (001, 002, 003 and so on) their proposed D/Ws forwarded to Commandant (G-CPM).

f. D/Ws will normally be granted for one year. D/Ws may request deviations for a specific type of contract, i.e., ship repairs.

g. D/W requests for FAR or TAR class deviations or requests affecting Departmental Orders and TAM bulletins will be reviewed at the DOT level, as well as by Commandant (G-CPM).

h. Each D/W request will be reviewed expeditiously by Commandant (G-CPM). An estimated response date to each D/W request shall be provided within three (3) working days of its receipt by Commandant (G-CPM). Written responses to D/W requests will be transmitted via electronic mail, message, facsimile, or normal mail.

i. Contracting activities have the opportunity to benefit from an approved D/W by requesting that the approved D/W apply to them. In such cases, the requesting activity will have to provide its own justification/rationale for consideration on a previously approved D/W. The same review procedures required in c. through h., above, are applicable in these situations.

j. Assessment of the effectiveness of each approved D/W shall be made by each activity within nine (9) months from the approval date, and provided to Commandant (G-CPM) for a decision on future application of the D/W. Generally, assessments shall consist of: (1) actual experienced advantages and disadvantages of the approved D/W, (2) recommendation and rationale for wider implementation, cancellation, modification or continued testing of the D/W, and (3) estimated cost savings and/or time savings resulting from the D/W. The degree of detail in these submissions can be coordinated with Commandant (G-CPM) in advance.

k. Each D/W assessment by a contracting activity will be reviewed expeditiously by Commandant (G-CPM). An estimated response date to each D/W assessment shall be provided within three (3) working days of its receipt by Commandant (G-CPM). Each assessment review will result in Commandant (G-CPM) direction that the D/W will be: (1) canceled, (2) implemented on

a wider basis, (3) modified, (4) continued to be tested, or (5) waived on an indefinite basis (CGAP provisions) for the contracting activity. Waivers approved on an indefinite basis may be subject to reconsideration upon policy changes or deficiencies found during Procurement Management Reviews.

1. A listing of all active ARTIC D/Ws and recognition of contracting activities accomplishments will be published in the Procurement Electronic Newsletter (PEN).

5. Responsibilities.

a. The Chief of the Contracting Office should ensure that the activity ARTIC Coordinator or Point of Contact for each waiver is included in correspondence.

b. Commandant (G-CPM) is responsible for:

(1) Processing each D/W request.

(2) Monitoring the overall implementation of the Coast Guard ARTIC program.

(3) Interfacing with the Office of Acquisition and Grant Management (M-60) at the Department of Transportation for D/Ws as required.

6. POINT OF CONTACT. For additional information regarding this ARTIC instruction, please contact Ms. Desyria Short, Commandant (G-CPM-2), FTS 267-2635.

Enclosure (17) to COMDTINST M4200.19F

ENCLOSURE (17) to COMDT M4200.19F

RESERVED

Structured Source Selection

(a) General.

This enclosure establishes Coast Guard policy and guidance for evaluating proposals and selecting sources for the award of high dollar, competitively negotiated contracts. It prescribes Coast Guard procedures to further implement Federal Acquisition Regulation Part 15.3 and Transportation Acquisition Manual Chapter 1215.3 Source Selection.

(1) Applicability. The provisions of this enclosure apply to competitively negotiated procurements (regardless of whether the Head of the Contracting Activity (HCA) has delegated the source selection authority (SSA) function or retains it) when:

(i) the estimated price, including options, exceeds \$50,000,000;

(ii) the estimated price, including options, of the total value of contracts to be awarded under a single solicitation exceeds \$50,000,000;

(iii) the estimated price, including options is less than or equal to \$50,000,000 and the acquisition is designated as a major system acquisition project; or

(iv) the estimated price of the acquisition, including options, is less than or equal to \$50,000,000 but the contracting officer determines, in conjunction with the appropriate program officials, that selected, appropriate portions of the procedures outlined in this enclosure are to be followed. Contracting officers are, in any case, encouraged to modify these procedures for their use as much as practicable.

For purposes of this enclosure, the source selection process described herein shall be designated "structured source selection."

(2) Exceptions. The provisions of this enclosure do not apply to procurements:

(i) for architect-engineer services;

(ii) for supplies or services acquired through General Services Administration multiple award schedules for which other procedures are prescribed in the FAR;

(iii) for grants and cooperative agreements;

(iv) from other Government (including State or local) agencies exclusive of procurements under the competitive 8(a) program; or

(v) resulting from Broad Agency Announcements.

(b) Policy and Procedures.

It is the goal of the Government to obtain the best value for any product and/or service being procured: this is especially true for complex, high dollar, negotiated procurements. It is essential to determine in an impartial, equitable and sound manner the source(s) that will provide such value. To ensure sound selection decisions, this enclosure provides guidance as well as general and specific policies and procedures for conducting structured source evaluations and selections.

(1) Initiation of Structured Source Selection Procedures. An SSA is designated to determine which offeror(s) shall be awarded the contract. The acquisition strategy and the criteria to be used in evaluating offers are detailed in a Selection Plan (SP) which is developed and approved in the early stages of a procurement.

(2) SSA Designation. The designation of the SSA for a particular procurement shall be in accordance with CGAP subchapter 1215.303, Responsibilities.

(3) Establishment of the Source Evaluation Board. Once the SP has been approved, a board, known as a Source Evaluation Board (SEB) comprised of members from various disciplines (e.g., program, technical, legal, pricing, budget, and contracting personnel) is formally established. The SEB is responsible for thoroughly and

(3) Comparison of offerors' proposals.

The competitive range decision, unlike the proposal evaluation, does require comparison of the offerors' proposals. The competitive range should be based on the quality of the offerors' proposals relative to each other, and to the Government's requirement. Contents of the competitive range determination are discussed elsewhere in this enclosure.

(4) Single Offeror in Competitive Range.

If the competitive range determination results in only a single proposal remaining, the contracting officer shall review the solicitation to assure that it does not unduly restrict competition and include a statement in the competitive range determination, with supporting rationale, that the solicitation was not restrictive. The SSA must approve the competitive range determination. At this point, these structured source selection procedures would cease to be used and the contracting officer would negotiate with the single remaining offeror.

(5) Notification of Elimination of Offerors.

The contracting officer shall promptly notify offerors in writing when their proposals are excluded from the competitive range or otherwise eliminated from competition (see FAR 15.503).

(6) Discussions.

(i) If it is determined that negotiations and discussions are necessary prior to award, such exchanges shall be held with all offerors who are in the competitive range. The contracting officer is responsible for controlling all such exchanges with offerors and must tailor the exchanges to each offeror's proposal.

(ii) All offerors selected to participate in oral or written negotiations and discussions must be advised of the time and place for conducting these exchanges, the Government participants, and the topics for discussion. Offerors are also to be informed of any further information required, significant weaknesses, and/or deficiencies in their proposals in advance of the meeting.

(iii) Negotiations and discussions should include exchanges concerning significant weaknesses and deficiencies as well as any other aspects of the proposal that could in the opinion of the contracting officer be altered or explained to enhance the proposal's potential for award. It may also include bargaining, defined in FAR 15.306(d) as "...persuasion, alteration of assumptions and positions, give-and-take, and may apply to price, schedule, technical requirements, type of contract, or other terms of a proposed contract." Exchanges may include information to the offeror that the Government considers its price too high or too low and may also indicate to all offerors the cost or price that the Government considers reasonable. Exchanges may not include disclosure of the relative strengths and weaknesses of competing offerors, or technical information or ideas. The contracting officer may not reveal another offeror's price unless that offeror grants permission.

(iv) In addition to negotiations and discussions of an offeror's significant weaknesses and deficiencies, contracting officers should ensure any special clauses, provisions or deviations have been discussed and agreed upon prior to requesting or allowing proposal revisions. If after discussions have begun, the contracting officer determines an offeror is no longer highly rated enough to remain in the competitive range, that offeror may be eliminated in accordance with FAR 15.306(d)(4).

(7) Competitive range determination documentation.

The SEB shall prepare for the contracting officer a report documenting its recommendations, to assist the contracting officer's determination of the competitive range. It is the SEB Chairperson's responsibility to ensure the report is completed. Emphasis is to be placed on substance rather than form in the report. It should form the basis for the subsequent final SEB report. It is recommended that the competitive range recommendation report follow the format for the final SEB Report to minimize duplication of effort, inconsistencies, and save time. The report shall discuss all proposals received and shall include, as a minimum, the following:

(i) The requirement. Provide a brief narrative description of the item or service being procured.

Enclosure (18) to COMDTINST M4200.19F

**SOURCE SELECTION PROCEDURES FOR COMPETITIVE ACQUISITIONS
VALUED AT LESS THAN \$50 MILLION**

General

The Federal Acquisition Regulation (FAR) Part 15 Contracting by Negotiation prescribes policies and procedures governing competitive as well as noncompetitive negotiated acquisitions. This guide addresses competitive negotiated acquisitions only. For ease of reading, it is presented in sections which follow the same topics as they appear in Part 15. That is, Section 1 Source Selection Processes and Techniques; corresponds to FAR Part 15.1; Section 2 Solicitation and Receipt of Proposals and Information; corresponds to FAR Part 15.2; and Section 3 Source Selection, corresponds to FAR Part 15.3. FAR Parts 15.4 through 15.6 are not addressed in this guide.

This guidance applies to actions valued at less than or equal to \$50 million that are not subject to structured source selection in accordance with Coast Guard Acquisition Procedures (CGAP) subchapter 1215.303-90. Also, it does not apply to sealed bid procurements (refer to FAR Part 14). The contracting officer is the source selection authority for actions at or under \$50 million.

When in doubt concerning the interpretation of source selection information or procedures either contain herein or elsewhere, the contracting officer should seek additional clarification from Commandant (G-CPM) and/or legal counsel as appropriate.

This document is designed for use by Coast Guard acquisition personnel; however, it may also benefit requirements personnel regarding the specific processes which must be considered and addressed during source selection. By informing and educating our customers, we ultimately facilitate the procurement process and issue higher quality contracts. It is also important to note that planning for source selection should begin early on in the acquisition process and should always include the input of requirements personnel in order to establish a successful acquisition strategy.

Section 1 Source Selection Processes and Techniques

a. Methods of Award. There are two basic methods which may be employed to solicit, evaluate and select sources for award. They are tradeoff process and lowest price technically acceptable.

(1) Lowest price technically acceptable (lowest price). This method is used primarily for firm fixed price acquisitions involving adequately detailed specifications for which alternate technical approaches/proposals are unlikely.

(i) In this method, technical proposals are evaluated to determine if an offeror satisfies an identifiable minimum technical criteria. Technical criteria include all non-price factors such as past performance, proposed key personnel, management approach, etc. For example, you may wish to issue a solicitation to repair certain engines by replacing or repairing worn out parts and making the engines work again exactly as they did when they were new. You will not expect more or less than that. In this case the offeror who agrees to do the work as specified and gives you the lowest price will win the award. In other words, once technical acceptability has been established, award is then based solely upon lowest offered price.

(ii) When evaluating past performance, if the contracting officer determines that a small business' past performance is not acceptable, the matter shall be referred to the Small Business Administration for a Certificate of Competency (see FAR 15.101-2(b)(1). When using the trade-off process, see (2) (ii) below.

(iii) Although it seems simple, you must be aware of some stumbling blocks when using the lowest price method. The criteria for determining technical acceptability must be identifiable and narrowly and explicitly defined in the solicitation. Requirements personnel must not attempt to evaluate or differentiate among offerors on the basis of technical superiority. They may only evaluate the offers to determine if

POLICY GUIDANCE FOR GOVERNMENT-FURNISHED PROPERTY

1. PURPOSE. This policy guidance sets forth procedures for the administration of Government-Furnished Property (GFP). It's intended for the use of contracting personnel and others responsible for Coast Guard property in the possession of a contractor or subcontractor. The policy guidance does not change or add new contracting requirements. This guidance is considered to be consistent with the FAR.

2. DISCUSSION. Recent legislation has expanded the requirements of the Chief Financial Officers (CFO) Act and requires that audited financial statements be prepared for all appropriations. Consequently, formal contracting offices are now responsible for obtaining some of the data required to prepare the financial statements. Further, the Department of Transportation Inspector General's (DOTIG) office conducted an audit of the Coast Guard Fiscal Year 1996 financial statements and uncovered a high frequency of discrepancies between property/inventory records and actual count. Receipts/issuance of property/inventory were not accurately recorded, information was missing, and poor business practices were reported. The DOTIG recommended changes and improvements in the quality of physical inventory procedures, procurement systems interface with accounting systems, documentation requirements, reconciliation of General Purpose property records against property records of contractor-held government property, and reconciliation between physical inventories and accounting records.

3. DEFINITION. For purposes of this policy guidance, Government-Furnished Property (GFP) is defined as contractor-held property that is a tangible asset (includes commercial off-the shelf (COTS) software), regardless of dollar value, in the possession of the contractor or subcontractor owned by or leased to the government. It includes assets obtained by the government under the terms of the contract, which are also contractor-held.

4. CONTRACTING OFFICER RESPONSIBILITIES. Contracting officers are responsible for enforcing the policies and procedures for government furnished-property. Their duties include, but are not limited to the following:

- a. Designating the administration of government-furnished property to the property administrator. This designation must be in writing indicating the duties and responsibilities of the administrator. A copy of the written designation must be maintained in the contract file.
- b. Ensuring that identifying, tracking, conducting physical inventories and maintaining control of government-furnished property is performed.
- c. Establishing written internal controls setting forth procedures for furnished property.
- d. Inserting a line item in all solicitations and contracts for the contractor's reporting requirements (see item #8 for minimum reporting requirements) for all contracts providing contractor-held government property, regardless of dollar value, unless otherwise determined not to be in the best interest of the government (see FAR 45.105).
- e. Listing all government-furnished property and the unit price for each item of property provided to the contractor in the contract.
- f. Ensuring that the contractor provides the basic information at FAR 45.505-1 for every item of government property, provided the contractor maintains the government's official property records.
- g. Ensuring that the Unit Property Officer is notified of all property equal to/or exceeding \$25,000 that is placed on a contract.
- h. Approving transfer of property as well as disposition of property upon contract completion. Ensuring that a copy of the Contractor Inventory Report and transfer/disposition of property documentation is provided to the Unit Property Officer.

5. PROPERTY ADMINISTRATOR RESPONSIBILITIES. The property administrator is an authorized representative of the contracting officer designated to administrator the contract requirements and obligations of the contract relative to government property. As the contracting

officer's designee, the property administrator's duties would include, but are not limited to the following:

- a. Review and approval of the contractor's property control system.
- b. Conducting physical inventories.
- c. Initiate a Report of Survey (CG Form 5269) for lost, missing or stolen property.

6. CONTRACTOR RESPONSIBILITIES. The contractor is responsible and accountable for all government property in accordance with requirements of the contract. This includes government property in the possession or control of the subcontractor. The contractor is **not** held liable for contracts performed on a government installation where the contracting officer determines that the contractor has little direct control over the government property because it is located on a government installation and is subject to accessibility by personnel other than the contractor's employees (Example - Facilities Contracts). Duties and responsibilities include, but are not limited to the following:

- a. Possessing an established property control system.
- b. Having a written property control system plan.
- c. Ensuring official government property records identify every item of government property and provide a complete, current, auditable record of all transactions.
- d. Adhering to the minimum reporting requirements as provided for in the contract.
- e. Acknowledgement of and receipts for all government property within its possession and that of the subcontractor.

7. UNIT PROPERTY OFFICER RESPONSIBILITIES. The property data required by the FAR and TAM shall be maintained in the Coast Guard automated system, Oracle, Fixed Asset Module (FAM) database under General Purpose Property. Access to FAM can be acquired with a password. Unit Property Officers should already have access to FAM, if not, technical support can be obtained by calling (757) 366-6556. Responsibilities of the

property officer include, but are not limited to the following:

a. The Unit Property Officer is responsible for recording all contractor-held government property equal to/or exceeding \$25,000 into the FAM database.

b. The Unit Property Officer is responsible for obtaining a copy of the Contractor Inventory Report annually and at contract completion, for reconciliation purposes. Even though contractors shall provide basic information for every item of government property in their possession, regardless of value, the Unit Property Officer is only responsible for recording contractor-held government property equal to/or exceeding \$25,000 into the FAM database.

8. MINIMUM REPORTING REQUIREMENTS. The contracting officer shall require the contractor to be responsible and accountable for keeping official records of government property in their possession or control including government property at subcontractor facilities, unless the contracting officer makes the determination that the government shall maintain the official property records. Contractor property records must identify all government property and provide a complete, current, auditable record of all property transactions regardless of the dollar value. At a minimum, the contractor is responsible for the following reports:

a. Contractor Report of Government Property - In accordance with TAR 1245.505-14, the contractor shall submit an annual report to the contracting officer by 15 September of each year on DOT F 4220.43, Contractor Report of Government Property. This information is also required in accordance with FAR 45.505-14. The contracting officer should forward a copy of this form to Commandant (G-CPM) no later than 10 October of each year to allow sufficient time in preparing the required consolidated report as required by TAM 1245.505-1470. Negative reports are required. Control symbol RCN-4200-11, Contractor Report of Government property, applies. Commandant (G-CPM) will forward the consolidated report to the Director, Office of Administrative Services and Property Management (M-40) by 31 October.

b. Contractor Inventory Report - The contractor shall submit the inventory report to the contracting officer annually. The submission date of the inventory report shall be included in the contract. There is no required standard form for completing the inventory report, however, the report shall provide the information at FAR 45.505-1 for every item of government property, regardless of value. In addition, the inventory report shall also include the following:

(1) Name and title of individuals that performed the physical inventory.

(2) An itemized, categorized (by property classification) listing of all property capitalized (capitalized property is defined as property valued at greater than \$25,000).

(3) A listing of property lost, damaged, destroyed, or stolen, the circumstances surrounding each incident and resolution of the incident.

(4) Any discrepancies between the physical inventory and the contractor's record of government property.

(5) A signed statement that a physical inventory was performed on government property, completed on a given date and that the official property records were found to be in agreement except for discrepancies reported.

9. ASSESSMENT. As a result of the commitment by the Commandant, (G-C, G-CCS, G- CFP) to successfully pass the CFO Act Audit, be advised that government-furnished property will be the focus of future Procurement Management Reviews.

10. POINT OF CONTACT. If you have questions concerning the subject policy guidance, please contact Ms. Donna Felton, Commandant (G-CPM-2) at (202) 267-1158. For questions on the use of the FAM database or who your Unit Property Officer is, contact Mr. Hillard Crosswhite, Commandant (G-CFM-3) at (202) 267-0560 or Ms. Kristin Devendorf, Commandant (G-CFM-3), at (202) 267-0655.

USCG CONTRACTING OFFICER WARRANT PROGRAM (COWP)

1. **PURPOSE:** This policy sets forth instructions and procedures for nomination and appointment of Contracting Officers (KOs) within the United States Coast Guard (USCG). This policy applies to all USCG organization elements seeking contracting officer (KO) authority.

2. **AUTHORITY AND RESPONSIBILITIES:**

a. The authority to appoint KOs is limited to the Head of the Contracting Activity (HCA). The HCA for the USCG is the Director of Finance and Procurement, Commandant (G-CFP). The HCA may delegate this authority to a level no lower than the Chief of the Contracting Office (COCO). This delegation will be determined on a case-by-case basis and shall be in writing. The HCA has delegated authority to issue contracting warrants of specific dollar authority within defined areas of responsibility as follows:

(1) Chief, Office of Procurement Management, Commandant (G-CPM)—all KO appointments in the USCG except COCO Level 2 (as defined in Subchapter 1202.170(b)(2)).

(2) Chief, Office of Contract Support, Commandant (G-ACS)—all KO appointments within the Office of Contract Support and for those units where G-ACS is designated as COCO.

(3) (3) Chief, Procurement and Logistics Branch, Naval Engineering Division, Maintenance and Logistics Command Pacific—all KO appointments not to exceed (NTE) \$50,000 for Supplies, \$50,000 for Services, \$25,000 for Construction, \$250,000 for Fuel, Subsistence and Port Services OCONUS for Pacific Area afloat assets; \$500,000 for Fuel, Subsistence and port Services OCONUS for Icebreakers (Polar class and Healy); and all KO appointments within the simplified acquisition section of the Naval Engineering Division NTE \$100,000.

(4) Chief, Procurement Branch, Finance Division, Maintenance and Logistics Command Pacific—all KO appointments NTE \$50,000 for Supplies, \$50,000 for Services and \$25,000 for Construction, \$250,000 for Fuel, Subsistence and Port Services OCONUS for all units in Pacific Area except Pacific Area afloat assets, KOs in Naval Engineering Division, and Headquarters units; and all KO appointments within the simplified acquisition section of the Finance Division NTE \$100,000.

(5) Chief, Finance Division, Maintenance and Logistics Command Atlantic—all KO appointments NTE \$50,000 for Supplies, \$50,000 for Services and \$25,000 for Construction, \$250,000 for Fuel, Subsistence and Port Services OCONUS for all units in Atlantic

Area except Headquarters units; and all KO appointments within Finance Division NTE \$100,000.

3. **SELECTION AND APPOINTMENT:**

a. **Selection and Appointment.** The selection and appointment of KOs within the USCG will be determined based upon:

- (1) Need of the Activity;
- (2) Nominee meeting the education requirements and qualification levels outlined in the DOT Acquisition Career Development Policy for Contracting Professionals available at <http://www.dot.gov/ost/m60/workforce/guide> (This policy is applicable to GS-1102 personnel for all types of warrants and military equivalent personnel for general warrants.);
- (3) Completion of DOT mandatory training and certification at Level I, Level II or Level III corresponding to appropriate grade level as outlined in DOT Acquisition Career Development Policy for Contracting Professionals (applicable to GS-1102 and military equivalent personnel) (**see also paragraph 5.b**);
- (4) Completion of required specialized training pertaining to authority type requested (e.g., construction, architect and engineering, service contracting, etc.);
- (5) Maintaining skills currency requirement met through continuing education or training (**80 hours** required every 2 years for general warrants, 24 hours required every 3 years for SAP warrants);
- (6) Experience requirement;
- (7) Statement from COCO attesting to the nominee being in full compliance with above requirements and recommending warrant appointment.

b. **Recordkeeping.** Each issuing authority shall maintain selection and appointment records for all Contracting Officers appointed within their area of responsibility. The Chief, Office of Procurement Management (G-CPM) shall maintain the complete record of all USCG Contracting Officers. Each issuing authority shall provide G-CPM with one copy of each warrant as they are issued. Each issuing authority shall also notify G-CPM when warranted personnel depart and when warrants are revoked.

4. **WARRANT STRUCTURE FOR SHORE UNITS AND VESSELS:**

a. **System Structure.** The new warrant system consists of two types of warrants:

- (1) General Warrant;
- (2) SAP Warrant.

COCOs will nominate personnel for contracting warrants to the appropriate issuing authority using a format similar to the Nomination Statement included as a Sample to this enclosure.

b. **Shore Personnel.** Warrants for shore personnel will be issued when requested by the COCO based upon this policy and limitations set forth below:

(1) General warrants for 1102 and military equivalent personnel may be issued at any dollar level up to unlimited authority depending on the need of the activity, acquisition certification and experience of the nominated person and recommendation of the COCO.

(2) SAP warrant authority will vary by commodity and dollar value depending on need of the activity, experience and training of the nominated person, and recommendation of the COCO. SAP warrants may be issued at levels determined necessary by the warrant issuing authority up to \$100,000. Standard verbiage for SAP warrants will limit Delivery Order authority against GSA Federal Supply Schedule contracts and other fixed price mandatory sources of supply to the dollar level of the open market authority.

c. **Shipboard Personnel.** Warrants for shipboard personnel will be issued in accordance with this policy and for positions authorized simplified acquisition training in the Cutter Qualifications Manual COMDTINST M3502.4E.

(1) SAP warrant authority will vary by commodity and dollar value depending on the need of activity, experience and training of nominated person, and recommendation of COCO. SAP warrants may be issued at levels determined necessary by the warrant issuing authority up to \$50,000 for Supplies; \$50,000 for Services; and \$100,000 for Fuel, Subsistence and Port Services when cutters are deployed OCONUS.

d. **Length of Appointment.** All contracting warrants shall state authority by commodity and dollar value (see examples below) and expiration date. The expiration date for general contract warrants will be 4 years from date of issuance for personnel

having completed acquisition certification and 2 years from date of issuance for personnel not yet certified (see exceptions identified in Item 5.b). SAP warrants will have an expiration of 3 years from date of issuance. Interim warrants may be issued for shorter lengths of time in certain situations where nominee has not met all requirements for holding a warrant and is working towards this accomplishment. See Item 6.a for restrictions on issuing interim warrants.

SAP Example 1:

\$25,000 for Supplies and \$2,500 for Services under Simplified Acquisition Procedures
Delivery orders up to open market authority against GSA Federal Supply Schedule (FSS) contracts and other fixed-price mandatory sources of supply.
\$2,000 for Construction, No A&E, No R&D

SAP Example 2:

\$100,000 for Supplies and \$25,000 for Services under Simplified Acquisition Procedures
Delivery orders up to open market authority against GSA Federal Supply Schedule (FSS) contracts and other fixed-price mandatory sources of supply.
\$2,000 for Construction, No A&E, No R&D

General Example 1:

Unlimited Supplies, Unlimited Services, Unlimited Construction & A&E, No R&D

General Example 2:

\$1,000,000 for Supplies, \$1,000,000 for Services, No Construction or A&E, No R&D

e. Authority to issue Interagency Agreements/Military Interdepartmental Purchase Requests (MIPRs) under the Economy Act 31 U.S.C. 1535 is limited to warranted personnel in accordance with **Subchapter 1217.501** up to authority levels stated on warrant.

5. TRAINING & EXPERIENCE REQUIREMENTS:

a. **Training requirements for obtaining SAP Warrants.** In order to obtain a SAP warrant, the individual being nominated must have completed specific training in combination with experience. Training must be current, within 3 years, except when applicant has been continuously engaged in performing SAP duties since completion of training. The maximum dollar level of SAP warrants is \$100,000. Varying levels of authority may be granted dependent

upon need of the activity, level of training completed and experience of the nominated individual. A minimum of 40 hours BASIC SAP training is required for lower level warrants, i.e., \$0-\$24,999. The BASIC SAP requirement can be met through either classroom training or computer based training (Defense Acquisition University (DAU) CON 237). To receive or exceed \$25,000 authority, 40 hours of ADVANCED SAP training is required in addition to 40 hours of BASIC SAP training. Authority to procure services and construction is limited to \$2,500 and \$2,000 respectively unless additional specific service (minimum 16 hrs) and construction (40 hours) training has been completed. To exceed \$50,000 authority, 40 hours of formal Cost & Pricing training must be completed.

b. Training requirements for obtaining General Warrants.

Effective 31 December 2002, the individual being nominated for a warrant must have completed all mandatory contracting courses for the grade level or military rank at which the person is serving as set forth in DOT Acquisition Career Development Policy for Contracting Professionals (TAM Supplement to Chapter 1201 dated August 3, 1998). The only exceptions to this rule are as follows:

(1) In the event of promotion to next higher training level, e.g., from GS-12, Level II to GS-13, Level III. An 18-month period will be allowed to obtain higher level training required for higher level certification.

(2) A waiver has been granted by the HCA.

SUMMARY OF TRAINING RQMTS FOR WARRANT TYPE

WARRANT TYPE	NTE AMOUNT	MINIMUM TRAINING	MINIMUM EXPERIENCE
SAP Warrant	\$100,000*	Basic & Adv SAP& C&P Analysis	3 years
	\$ 50,000*	Basic & Adv SAP	2 years
	\$ 25,000*	Basic & Adv SAP	1 year
	\$ 10,000 -\$24,999*	Basic SAP	6 months -1 year
	\$ 5,000*	Basic SAP	6 months-1 year
General Warrant	Over \$100,000-- Unlimited**	Certification at Grade level	3 years

*Warrant dollar threshold using simplified acquisition procedures

**General warrants may be issued in any amount deemed necessary by the COCO. The amount shall be determined based on activity need, and skill level, training and experience of the nominated individual. Authority to procure A&E and/or construction may be granted upon completion of an additional 40 hours of A&E and 40 hours of construction training, respectively.

c. **Experience Requirements.** Minimum experience levels must be met in order to qualify for a contracting warrant. Experience can only be gained while serving in a contracting/purchasing position, e.g., Contract Specialist, Procurement Analyst, Contracting Officer, Chief of Contracting Office, Purchasing Agent, Procurement Technician. A minimum of 3 years experience is required in order to qualify for a General contracting warrant at any dollar level.

d. **Skill Currency Training.** The training requirement for maintaining a warrant differs with the type of warrant.

(1) SAP warrants shall be maintained through the receipt of 24 hours of skill currency training every 3 years. This training requirement may be met through a combination of any of the following G-CPM sponsored Class C courses: SAP Refresher (24 hrs), Service Contract Overview (16 hrs), Acquisition of Commercial Items (16 hrs), IT Acquisition (40 hrs), Cost & Price Analysis (40 hrs), Performance Based Service Contracting (32 hrs). Non-Class C acquisition related courses paid for with unit funds, and/or properly documented in-house training, computer-based training (such as DAU CON 237 Simplified Acquisition Procedures, Federal Acquisition Institute (FAI) JWOD Seminar (3 hrs), FAI Market Research for Acquisition Officers (8 hrs), FAI Contracting Orientation (16 hrs)), COCO Conferences, and procurement conferences are acceptable sources for maintaining skill currency. For a current listing of G-CPM sponsored Class C courses, check COMDTNOTE 1540 published at <http://www.uscg.mil/hq/tqc>.

(2) General warrants shall be maintained through the receipt of 80 hours of skill currency training every 2 years. This training requirement may be met through a combination of any of the following G-CPM sponsored Class C acquisition courses (non-mandatory certification courses): Service Contract Overview (16 hrs), Performance Based Service Contracting (40 hrs); Construction Contracting (40 hrs); Contract Claims (40 hrs); Terminating Contracts (24 hrs); Acquisition of Commercial Items (16 hrs); Using Oral Presentations in Source Selections (8 hrs); Advanced Source Selection (16 hrs) and/or non-Class C courses paid for with unit funds and/or properly documented in-house training, computer-based training (such as FAI Acquisition Planning (40 hrs), FAI Contract Formation (40 hrs), DAU ACQ 101 Fundamental of System Acquisition) COCO Conferences, procurement conferences (as examples). For a current list of G-CPM sponsored Class C training check COMDTNOTE 1540 published at <http://www.uscg.mil/hq/tqc>.

6. **EXCEPTIONS:**

a. In urgent situations, interim warrants not to exceed 6 months may be issued for \$5,000 to individuals not meeting experience and training requirements set forth in this policy and up to \$25,000 to individuals meeting experience requirements but are awaiting refresher training.

b. Any exceptions to the policy set forth herein shall be submitted via G-CPM to the HCA, Commandant (G-CFP) for approval.

c. The following actions within the USCG do not require a KO's signature. Detailed instructions on delegations, usage and restrictions are outlined in COMDTINST M4200.13E, Simplified Acquisition Procedures Handbook and **COMDTINST M4200.19 Coast Guard Acquisition Procedures (CGAP)**.

(1) Blanket Purchase Agreement (BPA). Calls against BPAs are restricted to individuals identified as authorized callers in the BPA.

(2) USCG On-Scene Coordinators (OSC), by virtue of their position can perform the duties of an ordering officer when responding to an oil or hazardous substance spill incident under emergency situations and when adhering to **Subchapter 1217.92**. OSC authority is limited to \$50,000 per incident. When supplies or services are required that are not covered under an existing Basic Ordering Agreement (BOA), the requirement shall be referred to the MLC(fcp) contracting officer. If the MLC(fcp) contracting officer can not be contacted in a timely manner, OSCs are authorized to issue Purchase Orders for non-BOA supplies or services on an emergency basis only not to exceed \$25,000 per incident. The OSC must contact the MLC(fcp) contracting officer within 24 hours after exercising this authority.

(3) The District Response Advisory Team (DRAT) KO shall serve on the OSC's contracting staff, when requested by the OSC, during an oil or hazardous substance spill incident. The DRAT KO is limited to expending Oil Spill Liability Trust Funds (OSLTF) or Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA) funds in an amount not to exceed \$25,000 for each procurement action in response to an oil or hazardous substance spill incident. The DRAT KO must satisfy the training requirements set forth for a SAP warrant (including services training if services over \$2,500 are to be procured) prior to appointment.

(4) FEDSTRIPS.

(5) SF-44 Purchase Order-Invoice-Voucher is strictly limited to \$25,000 or less for fuel and oil for aircraft and vessels and strictly limited to \$2,500 or less for all other procurements. Persons using an SF-44 must be appointed, in writing, by a warranted contracting officer.

(6) Imprest funds for other than small purchases.

(7) Training authorizations for public course offerings using SF182, Request, Authorizations, Agreement and Certification of Training when accomplished by individual delegated authority by COCO.

(8) Travel related documents.

(9) Authorizations or orders for printing (Form DOT F 1700.3) and duplicating (Form DOT F 1700.8) services.

(10) Government bills of lading.

(11) Non-appropriated funded small purchase actions under \$5,000 in accordance with the Non-Appropriated Funds Manual, COMDTINST M7010.5.

(12) Government-wide commercial purchase card transactions under \$2500 for supplies and services; or limited to \$2000 for construction; or for fuel purchases for CG aircraft and vessels up to \$100,000 per transaction. Fuel authority may only be used (1) if there is no Defense Energy Support Center (DESC) supplier available and (2) if the vendor will not accept the Fleet Services Card.

(13) Utility payments under host/tenant agreements.

(14) Host tenant agreements or other related support agreements.

(15) Leases for real property as set forth in **Subchapter 1217.5.**

(16) Real estate transactions affected under the Federal Property Management Regulations or the Uniform Relocation Assistance and Real Property Acquisition Regulations.

7. **REVIEW:**

Procurement Management Reviews may be conducted by Commandant G-CPM. During the conduct of Procurement Management Reviews, G-CPM will inspect COCO records of appointment and KO compliance with law and regulation. An assessment will be made as to satisfactory performance in acquisition duties, including ethical conduct and the exercise of sound business judgement. Significant problems or deficiencies noted during these reviews shall be referred to Commandant (G-CFP) who will effect any necessary corrective actions, which may include revocation of KO authority or COCO authority. Compliance inspections may be conducted by MLCPAC or MLCLANT. Significant problems discovered during Compliance Inspection shall be referred to the appropriate warranting authority for consideration of warrant revocation.

SAMPLE NOMINATION FOR APPOINTMENT OF CONTRACTING OFFICER

TO: Head of the Contracting Activity (Commandant G-CFP) or other
warrant issuing authority identified in Section 2.a.
VIA: Chief, Office of Procurement Management (if addressed to HCA)
FROM: COCO or Commanding Officer (when nominating a COCO)

SUBJECT: NOMINATION FOR APPOINTMENT OF CONTRACTING OFFICER

1. There is a clear and convincing need to appoint a contracting officer
for the following reasons:

2. I nominate Name, Title, Series, Grade to receive a General
or SAP contracting officer's warrant at the following levels and
restrictions List authority levels and commodities (see examples
provided at 4.d.)

3. Personal QUALIFICATION STATEMENT must address:

a. Status of DOT mandatory training and certification at appropriate
grade level (applicable for General warrants, 1102 and military equivalent
personnel)

b. Completion of required specialized training if applicable
(applicable for General and SAP warrants)

c. Maintaining Skills currency requirement (applicable for General
and SAP warrants)

d. Experience (applicable for General and SAP warrants)

4. The nominee's performance of acquisition duties is satisfactory.

5. The nominee's conflict of interest disclosure statement is on file
(applicable to 1102 and military equivalent).

6. I, Name of COCO (or Commanding Officer when COCOs are being
nominated) attest to the accuracy of the personal qualification
information supplied above and believe, based upon my personal
observations and evaluation, that the nominated individual has the
business knowledge and experience necessary to execute the
responsibilities that accompany the position of a contracting officer in
the U.S. Coast Guard.

Signature of COCO or Commanding Officer